



# AGENDA

Extraordinary Meeting of the  
**Buller District Council**

Adopt Draft Annual Plan 2022-2023

**Wednesday 13 April 2022**  
Commencing at 3pm

*To be held via ZOOM*

## Council

<b>Chairperson:</b>	<b>Mayor</b>
<b>Membership:</b>	The Mayor and all Councillors
<b>Meeting Frequency:</b>	Monthly – or as required
<b>Quorum:</b>	A majority of members (including vacancies)

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### Purpose

The Council is responsible for:

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

### Terms of Reference

1. To exercise those powers and responsibilities which cannot legally be delegated by Council:
    - a) The power to set district rates.
    - b) The power to create, adopt and implement a bylaw.
    - c) The power to borrow money, or purchase or dispose of assets, other than in accordance with the Long Term Plan.
    - d) The power to adopt a Long Term Plan or Annual Plan, or Annual Report.
    - e) The power to appoint a Chief Executive Officer.
    - f) The power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the Long Term Plan, or developed for the purpose of the Council's governance statement, including the Infrastructure Strategy.
    - g) The power to adopt a remuneration and employment policy for Chief Executive Officer.
    - h) The power to approve or change the District Plan, or any part of that Plan, in accordance with the Resource Management Act 1991.
    - i) The power to approve or amend the Council's Standing Orders.
    - j) The power to approve or amend the Code of Conduct for Elected Members.
    - k) The power to appoint and discharge members of committees.
    - l) The power to establish a joint committee with another local authority or other public body.
    - m) The power to make the final decision on a recommendation from the Parliamentary Ombudsman, where it is proposed that Council not accept the recommendation.
    - n) Health & Safety obligations and legislative requirements are met.
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2. To exercise the following powers and responsibilities of Council, which the Council chooses to retain:
  - a) Resolutions required to be made by a local authority under the Local Electoral Act 2001, including the appointment of an electoral officer and reviewing representation arrangements.
  - b) Approval of any changes to Council's vision, and oversight of that vision by providing direction on strategic priorities and receiving regular reports on its overall achievement.
  - c) Adoption of governance level strategies, plans and policies which advance Council's vision and strategic goals.
  - d) Approval of the Triennial Agreement.
  - e) Approval of the local governance statement required under the Local Government Act 2002.
  - f) Approval of a proposal to the Remuneration Authority for the remuneration of Members.
  - g) Approval of any changes to the nature and delegations of the Committees.

## Common Delegations

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

### **General Principal**

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

These Committees will:

### **Strategy, plans and policy**

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

### **Bylaws**

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

### **Consultation and engagement**

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

### **Submissions and legislation**

1. Approve submissions to external bodies/organisations on legislation and proposals that impact governance policy or matters.
2. Monitor and oversee strategic projects and programmes.
3. Monitor Council's Assets Management Plans/Strategic Infrastructure Plan.



**Contracts**

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

**Other**

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

## Extraordinary Meeting - Adopt Draft Annual Plan 2022-2023



13 April 2022 03:00 PM - 05:00 PM

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**BULLER DISTRICT COUNCIL  
EXTRAORDINARY MEETING - ADOPT 2022-2023 DRAFT ANNUAL PLAN**

**13 APRIL 2022**

**AGENDA ITEM 1**

**Prepared by** Sharon Mason  
Chief Executive Officer

**APOLOGIES**

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**1. REPORT SUMMARY**

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

**2. DRAFT RECOMMENDATION**

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

**OR**

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

**BULLER DISTRICT COUNCIL  
EXTRAORDINARY MEETING - ADOPT 2022-2023 DRAFT ANNUAL PLAN**

**13 APRIL 2022**

**AGENDA ITEM 2**

**Prepared by** Sharon Mason  
Chief Executive Officer

**MEMBERS INTEREST**

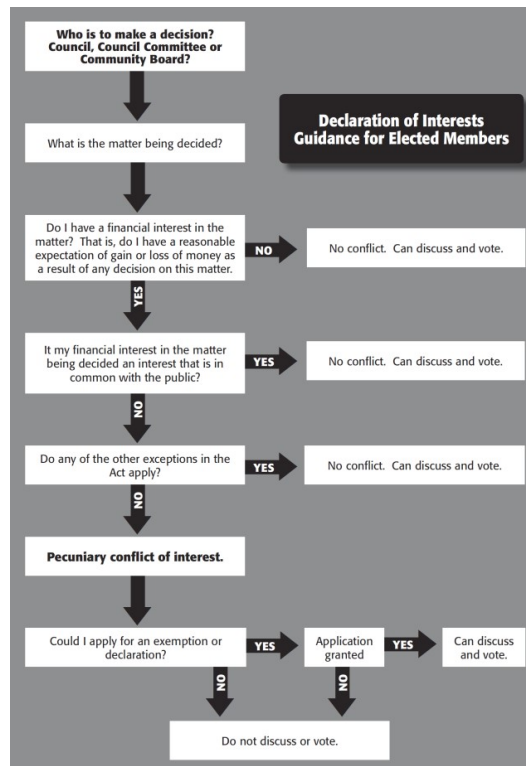
Members are encouraged to consider the items on the agenda and disclose whether they believe they have a financial or non-financial interest in any of the items in terms of Council's Code of Conduct.

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

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

**DRAFT RECOMMENDATION:**

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



**EXTRAORDINARY MEETING – ADOPT 2022-2023 ANNUAL PLAN  
BULLER DISTRICT COUNCIL**

**13 APRIL 2022**

**AGENDA ITEM 1**

**Prepared by - Rod Fox**  
Group Manager Commercial & Corporate Services

**DRAFT ANNUAL PLAN 2022/2023 AND CONSULTATION DOCUMENT**

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**1. REPORT SUMMARY**

To adopt the Draft Annual Plan 2022/2023, Draft Annual Plan Consultation Document, and associated documents for public consultation.

**2. DRAFT RECCOMENDATION**

**That Council:**

- 1. approves the list of proposed fees and charges to be included in the Buller District Council Draft Annual Plan 2022/2023.**
- 2. adopts the Buller District Council Draft Annual Plan 2022/2023 as the principal document relied on for the content of the Consultation Document.**
- 3. adopts the Annual Plan Consultation Document as the statement of proposal for the public participation in decisions on the content of the Draft Annual Plan.**
- 4. approves the consultation period that runs from Thursday 14 April 2022 and closes at 4.30pm on Tuesday 17 May 2022.**

**3. ISSUES & DISCUSSION**

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

**3.2** The purpose of the Annual Plan is to:

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

(d) contribute to the accountability of the local authority to the community.

**3.3** The Draft Annual Plan will be made available for the public no later than 14 April 2022 at various locations throughout the district. The document will also be available on the Council website.

**3.4** The Draft Annual Plan will be open for submissions from 14 April 2022 to 17 May 2022.

## **4 CONSIDERATIONS**

### **4.1 Strategic impact**

The Annual Plan and Consultation Document are an integral part of the planning and delivery of Councils' strategic vision and obligations.

### **4.2 Significance assessment**

The significance and engagement policy sets out the criteria and the framework for a matter or transaction to be deemed significant. The Annual Plan and associated Consultation Document is significant and due process around consultation must be undertaken.

### **4.3 Risk analysis**

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

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

### **4.4 Policy / legal considerations**

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

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

### **4.5 Tangata Whenua consultation considerations**

The Annual Plan and consultation document explicitly provide for consultation with Tangata Whenua.

### **4.6 Views of those affected**

Council's expenditure, issues and projects are consulted on with the community during the Annual Plan processes.

**4.7 Costs**

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

**4.8 Benefits**

The benefits of a robust Annual Plan process are better and more efficient outcomes for the Council and the community, and to account for the differences in budgets that were unable to be contemplated in the Long Term Plan.

**4.9 Media / Publicity**

There are media or publicity opportunities with this report, to share that the Draft Annual Plan is adopted, and consultation is encouraged.



'Toki Poutangata' Bridge | Nomad Audio and Video

# Draft Annual Plan 2022-2023



**BULLER**  
DISTRICT COUNCIL  
Te Kaunihera O Kawatiri





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# Welcome

## An introduction to our 2022-2023 Draft Annual Plan

This statement is required to be made by the Local Government Act 2002. It is to be read with the proposal for the Buller District Council's 2022-2023 Draft Annual Plan which is set out on the following pages.

The Draft Annual Plan includes information for the 2022-2023 year in relation to each group of activities contained in the 2021-2031 Long Term Plan and the reasons that any information in the Draft Annual Plan departs from the 2021-2031 Long Term Plan.

### WESTPORT AND LINK TO COUNCIL'S LONG TERM PLAN

The 2022-2023 Draft Annual Plan is the second year of the 2021-2031 Long Term Plan, which was adopted by Council in June 2021. All Councils are required to produce a Long Term Plan every three years and Annual Plans in the intervening years.

The purpose of the Annual Plan as detailed in Section 95(5) of the Local Government Act is to:

- Outline the proposed annual budget and Funding Impact Statement for the year.
- Identify variations from the financial statements and Funding Impact Statement included in the Long Term Plan.

### THE PLANNING FRAMEWORK

This diagram indicates the relationship of the Community Outcomes to the Long Term Plan, Annual Plan and Annual Report.

This document highlights the activities Council is involved in, the major issues and projects and where there are some variations from our original estimates for 2022-2023. You will find details of what Council is planning to spend in the year ahead and how it will be paid for. Specific projects and issues have been highlighted against each of Council's activities, together with the performance targets that will enable you to monitor progress over time. Detailed financial statements are also provided.

If Council intends to change certain aspects of the Long Term Plan, then it is required to process an amendment to the Long Term Plan concurrently with the Annual Plan.

Other less significant changes are highlighted as variations to the Long Term Plan. These do not constitute amendments that require specific consultation, but are highlighted for further explanation.



# Mayor, Councillors & Inangahua Community Board

TE KOROMATUA, NGA KAKAUNUHERA  
ME NGA MEMA O TE POARI O INANGAHUA

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# Mayor's Foreword

## TE KUPU TUATAHI A TE KOROMATUA...

It is my pleasure to present the 2022-2023 Draft Annual Plan. I am very hopeful that this financial year will be one of significant recovery for our district, as we progress from the severe weather events of last year and the Covid-19 pandemic – both of which continue to have a profound effect on our people.

This Draft Annual Plan also spans the local body elections, which is an important opportunity for the community to elect or re-elect the representation they believe will best serve the district over the next three-years. Council will work hard to inform potential candidates about what the role entails, in an effort to gain nominations from a broad cross section of the community, and for new candidates to enter office with some knowledge of the current situation and potential opportunities.

The civil emergencies experienced in Buller have increased pressure on our resources to deliver, both for our people and financially. Our continued relationship with central government will be key to a successful and meaningful recovery throughout 2022-2023. However, this support doesn't cover everything, and there will be on-going unexpected costs to Council, which coupled with inflationary pressure and the need to continue some long deferred projects has put further pressure on rates. Councillors have taken a pragmatic approach in this Draft Annual Plan, balancing the realities of a sustained flood recovery with the desire of the community to continue to make progress. Our economic development strategy is also continuing, with Council maintaining the role of facilitator seeking to leverage funding opportunities with central government agencies, businesses, and the community in partnership all while minimising risk to ratepayers.

The flood events have highlighted the need for some difficult conversations with the community around climate change and adaptation as the effects are being felt here and now. Council continues to take a balanced and science based approach as we develop a plan to adapt over the coming years.

Council will continue to engage in the various government reforms as the details emerge. Three Waters, Future of Local Government, and Resource Management Act reform will all bring material changes to Council's traditional role over time.

Council is committed to shaping our district by continuing to work with the community together on the challenges and opportunities.

I continue to be amazed by the resilience of the community in times of adversity and look forward to delivering this Draft Annual Plan as we continue our progress as a district.

Partnership with Ngāti Waewae is important and adds to a rich depth of conversation and thinking in Council. A highlight has been the completion of the Toki Poutangata Bridge and gifting of the Pounamu e toru ngā mikihi.

Councillor Martin Hill resigned from his position in December 2021. Council determined to leave the position vacant in line with the Local Government Electoral Act 2011.

As well as dealing with extreme weather events, Buller District Council has also been dealing with its response to Covid-19, which has altered the landscape for Buller in terms of economy, tourism and physical distancing. The pandemic response has touched all of our lives in some way, and these are times when the splendid isolation of Buller serves our community well. However, that being said, we have very quickly turned our minds to economic recovery in the pandemic environment. Buller has seen an uplift in tourist numbers despite international borders being closed, and the economic effect has shone through in the Informetric annual and quarterly reports. We are pragmatic enough though to know that the uplift will not be sustainable once international borders reopen, and so we remain strongly focussed on other economic opportunities which are reflected in our tranche two economic strategy, and we are also working closely with Development West Coast to pursue some of these.

### Te Tai o Poutini Plan

The TToPP governance group has chosen to expedite the plan in order to align with central governments review of the Resource Management Act. The exposure draft for the Te Tai o Poutini Plan is now out and public consultation is underway. It is anticipated the draft plan will be notified in July 2022. The West Coast Regional Council website has more information and community members are encouraged to engage in the process.

# From the Chief Executive Officer

## Karere mai i tumuaki matua

The 2022-2023 Draft Annual Plan is the second year of the Long Term Plan and continues with the theme shaping our district, and balancing the need for efficient service delivery, quality infrastructure and amenities with affordable rates.

Council staff have worked hard to control costs and keep rate increases to a minimum, whilst still maintaining the current level of service. Our target in the Long Term Plan was a 6.3% maximum increase but, unfortunately, due to the impact and challenges of Covid-19, significant weather events, inflationary pressures, and increased insurance costs, the rates increase in this Draft Annual Plan is 7.7%.

The local economy, particularly GDP, was 12% higher in December 2021 compared to the previous year which was a strong result. However, the economic activity in Buller has started to plateau, potentially reflecting the ongoing effects from the flooding event last year. Tourism expenditure has grown in Buller with additional bed nights, which is likely to be linked to the large number of tradespersons living in Buller to assist with the flood recovery programme.

Overall Buller is showing strong recovery in our key economic indicators through land based income such as dairy farming as well as increases in the building and construction environment.

The significant weather events and flooding have had an unprecedented impact on the Buller District, our community and infrastructure. These events have created additional complexities for Council in terms of damage to water, roading, and stormwater infrastructure. The cost assessment of repairs may be up to \$50 million dollars for the July 2021 and February 2022 flood events and as yet is still not fully quantified or understood. We are clear that the quantum of funding required exceeds the capability of a small rate payer base and, as a consequence, are working in partnership with central government to develop a funding package to try and reduce the burden on rate payers.

The Three Waters reforms led by central government has seen the establishment of a regulatory water authority across New Zealand with an expectation that over time further regulatory changes will occur, along with other reforms including the Resource Management Act and the local government review. The impact of central government reform is still not yet fully understood, and will become more apparent throughout the year.

Council will continue conversation with the New Zealand Transport Agency/Waka Kotahi about the Karamea Special Purpose Road, which is a vital link in the district – with the road currently under repair following the February flood. This road is currently 100% funded by Waka Kotahi/NZTA.

During 2022-2023, we will continue to build on the district revitalisation plan (economic, social, environmental, and

culture). Buller District Council will continue working with the West Coast Regional Council and central government agencies to address natural hazards in the district through representation on the Westport District Rating Joint committee and the Buller Flood Governance Group. Council has started work on developing climate change adaption action plans in line with our commitment in the Long Term Plan. Our first stage is formulating a project plan identifying the key stakeholders and towards the third quarter of 2022 we will seek to engage with you, our community, on how we shape the plan.

Information management remains a priority for us so that we are able to provide more accessible information to you as you need it, and to better aid decision making that directly affects you, our community. Progress has been made, despite the flooding events, with this project and this has seen the majority of property files sent away for safe storage and progressive digitising. Very soon, you will be able to receive a property file in a PDF format that you can keep rather than the traditional method of visiting the Council building to photocopy the pages you want, a great win for all. Over time, further work will see staff able to locate historical files to better inform their information to you, rapid response numbers being more geographically aligned, and a number of other services improved.

The Port has experienced a mixed year. On one hand, we have seen the development of the floating basin area with upgraded and new jetties, an ablution block to service those jetties, and a start on the gravel extraction plans to assist with river and bar depth. On the other hand, we have seen, as a result of the flood events, considerable damage to our historic bulk shipping wharves. This has seen us close the Holcim 1 wharf to the public due to the safety concerns that were evident. The Kawatiri wharf, where the dredge berths, has also suffered severe damage, although at this stage, it is still usable. Repairs to the wharves form part of the funding application to central government.

The 2022-2023 key performance indicators (KPIs) for the Chief Executive Officer are built around balancing the need for efficient service delivery, quality infrastructure and amenities with affordable rates. But more importantly, the KPIs have a strong focus on customer service and key stakeholder engagement and satisfaction.

You can count on the Chief Executive Officer's total commitment to complete public transparency and accountability for performance and that of the entire Buller District Council team. That personal accountability is the cornerstone of strong democracy.

#### Wastewater & Stormwater

We face significant wastewater and stormwater challenges for our district, especially in urban and coastal areas as we contend with changes to both our natural and built environments. Compliance to the national freshwater management policy incorporating Te Mana o te Wai is part of the essential framework we must plan for alongside side our district plan and future consenting requirements.

Westport has an aging, integrated gravity-flow network with pipe installed at shallow grade due to the land topography and outfall points. With an already high water table, and the effects of climate change including sea level rise and groundwater recharging (via more frequent and severe weather events), careful consideration and planning is needed to ensure our wastewater (sewer) and stormwater (surface drainage) systems are fit for future. Inflow and infiltration remain critical issues to address. One of the highest priorities is a targeted separation

and re-design of the Westport reticulation based on system modelling and flow analysis. Improved system architecture will minimise the volume of treated wastewater, saving operation and maintenance costs as well as optimising infrastructure capacity for future growth.

The recent flood events caused severe damage to our networks and a substantial rebuild programme is currently under development. The impact of river protection solutions such as stop banks and flood walls will also require careful design to ensure town areas do not become a catchment basin needing ongoing pumping to stay dry.

These combined factors of compliance, network design, renewal and rebuild programmes, inflow and infiltration and flood protection infrastructure will be further assessed by Council to then develop options and priorities on how best to proceed within the affordability constraints for ratepayers.



**Sharon Mason**  
Chief Executive Officer



**Jamie Cleine**  
Mayor, Buller District








# Values, Purpose & Vision

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## BULLER DISTRICT VALUES

The following principles guide us in decision and action:

-  **Community driven...**  
... we are committed to making a difference in the community we call home ...
-  **One team...**  
... shared direction, shared effort ...
-  **Future focused...**  
... we seek solutions that are fit for the future ...
-  **Integrity...**  
... open and honest in decisions and action ...
-  **We care...**  
... about people and place ...

## CORE PURPOSE

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

## OUR VISION, OUR FUTURE

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

# Financial performance and executive summary

## KEY HIGHLIGHTS OF THIS DRAFT ANNUAL PLAN

### DRAFT ANNUAL PLAN

This is the first Draft Annual Plan following the 2021-2031 Long Term Plan and Council continues to follow the original strategy set out in that document. This means there are only minor variations in 2022-2023 arising from matters that Council was not aware of in preparing the Long Term Plan and which now need addressing. The Draft Annual Plan continues the rollout of key projects consulted on with the community in the Long Term Plan.

After adopting the 2021-2031 Long Term Plan the Buller District suffered, in mid-July, a one in 60-year flood event that caused significant displacement of the Westport community and damage to the district's infrastructure. Two further flood events happened in February 2022.

Council continues working closely with central government to identify and fund recovery works. There has been no provision made in this Draft Annual Plan either in relation to the anticipated revenue and costs associated with these works, or any contribution from Council to fund this through rates.

Key projects identified after the Long Term Plan was adopted, and requiring immediate action, include renewal of elements of the Westport wastewater and sewerage systems. This work is forecast to cost \$2.24m and is required to obtain renewal of the resource consents. Work to upgrade the Westport water trunk main connection to town is also required at a cost of \$1.65m, along with chlorinating the Reefton water supply at \$455,000.

In response, Council is reprioritising its capital programme and deferring the upgrade of Brougham House forecast to cost \$1.932m and upgrades to the Clocktower totalling \$412,000 in the Long Term Plan. The focus is on providing core services to the community.

The Kawatiri dredge and port strategy formed as part of the Long Term Plan is progressing as Council staff work with external parties to ensure these activities remain viable and self-funding remains a key assumption in this Draft Annual Plan.

The information management project is well underway and expected to be delivered within budget by March 2023.

Council has commenced work on developing climate change adaption action plans in line with the commitment made in the 2021-2031 Long Term Plan. The first stage is formulating a project plan followed by identifying the key stakeholders towards the third quarter of 2022. Council will seek to engage with the community on how to shape the plan.

Continuing from the 2021-2031 Long Term Plan, Council is recommitting to the district revitalisation programme as one of our significant strategic initiatives for this Annual Plan. This also supports our long-term vision, community outcomes and well-beings, alongside broader aspirations including equity, inclusion, and connectedness. District revitalisation aims to provide reliable, affordable services and infrastructure to create attractive, liveable towns and places, and a district in which people want to live, explore, and invest. Together, this helps to shape a fit for future Buller.

### KEY PROJECTS

- Community Engagement and Protecting Fauna Project; a 3 year project funding one employee over the life of the project for conservation work including weed control.
- The property rationalisation project, which includes assessing under-utilised land and property owned by Council throughout the district and divesting it if there is no strategic value in it.
- Climate change has made its presence felt in the Buller District and Council has committed to the development of climate change adaption strategy so we can better understand, manage and mitigate future impacts and respond accordingly.
- Securing central government funding post floods to repair damage to infrastructure. The recovery programme will be a significant piece of work.
- Regional project for construction and demolition waste.
- Information Management Project development and implementation.

Council sees the value of advocating on behalf of the community to grow our local economy and help develop vibrant communities.

Council will continue to lobby central government and any relevant agencies to ensure Buller continues to receive its share of any regional development initiatives.

### KEY HIGHLIGHTS

Summary Financial Statement	2021-2022 Long Term Plan \$'000	2022-2023 Long Term Plan \$'000	2022-2023 Draft Annual Plan \$'000
Operating Revenue	\$32,076	\$35,242	\$32,658
Operating Expenses	\$32,061	\$31,028	\$31,727
Operating Surplus/Deficit	\$15	\$4,214	\$931

### OPERATING RESULT

Council is budgeting a profit of \$931,000 in the 2022-2023 Draft Annual Plan compared to a profit of \$4.2m proposed for the same year in the 2021-2031 Long Term Plan. This is due to a reduction in grants and subsidies forecast for capital expenditure and purchase of investments as outlined below. This Draft Annual Plan also incorporates increases in inflation and interest rates, reflecting both the current and forecast economic environment Council is operating in compared to when the Long Term Plan was prepared.

## OPERATING REVENUE

Operating revenue is predicted to reduce compared to the Long Term Plan (\$32.7m compared to \$35.2m) primarily due to a predicted decrease in receipts from subsidies and grants.

Waka Kotahi subsidies are \$1.65m lower in this Draft Annual Plan for special purpose roads as bridge replacements bids included in the Long Term Plan were not approved as part of the 2021-2024 programme.

Government grants are \$1.5m less as the proposed whitebait farm share purchase will not proceed due to New Zealand Whitebait Ltd being unable to meet the required milestone timeframe for raising private equity funds.

Investment income forecasts increase due to forecast rising interest rates, offset by higher increases in borrowing costs.

Forecast general rates are 3.5% less than predicted in the Long Term Plan. The reduction is due to higher returns on investments offsetting general rates and operational budget savings from within general rate funded activities.

Forecast total targeted rates are 8.8% higher than predicted in the Long Term Plan. The increase in targeted rates is primarily due to the higher forecast interest and inflation rates. While some scheme rates have increased due to higher underlying operating costs required over and above the inflation uplift, others have had possible savings identified. Where possible smaller schemes facing higher operational budgets have had some relief applied through the revision of internal charges.

This Draft Annual Plan also includes a proposed new targeted rate for the provision of a new water supply in Karamea to service Karamea Area School and the Karamea campground. The new rate funds the debt servicing costs associated with Council's contribution to the proposed capital works along with the ongoing operation and maintenance of the scheme. The proposed ratepayers have been fully consulted with and are working with Council on the project well in advance of its inclusion in this Draft Annual Plan.

A factor impacting the distribution of rates across ratepayers is a proposed change in rating differential for the port land. The existing differential sees Council paying much more than any other industrial user in Westport. The rationale for this dates to when Holcim was in operation at the port and no such justification exists any longer. It is proposed in this Draft Annual Plan to lower the differential in line with the standard industrial differentials charged. The resulting reduction in rates payable by Council for the port land will be redistributed across all other ratepayers but will be largely immaterial for the average residential ratepayer.

## GENERAL AND TARGETED RATES

The total general and targeted rates budgeted increase is 1.4% higher than for the same year in the Long Term Plan with an overall predicted 2022-2023 Draft Annual Plan increase of 7.7%.

The 1.4% increase reflects the economic environment Council is now operating in with forecast higher interest rates and inflationary pressures. Partly mitigating these unavoidable cost increases are reductions found within existing budgets, and corresponding increases in investment income due to higher investment interest rates.

## OPERATING EXPENDITURE

Operating expenditure is higher in this Draft Annual Plan at \$31.7m compared to the Long Term Plan prediction of \$31m.

Forecast employment costs are \$470,000 higher across Council compared to the same year of the Long Term Plan. Council has established a permanent project management office (PMO) that was not included in the Long Term Plan as, despite having been stood up at the time it was a temporary team funded by centrally government funded projects. The PMO makes up over half of the planned increase but has no direct rating impact as their funding is via capital projects delivered by the team, often with external party funding attached. The remaining increases are within the Regulatory Services building and planning teams offset by forecasted higher levels of activity income, or within the roading and airport activities that come with 50-72% external subsidies therefore having minimal impact to rates.

## CAPITAL EXPENDITURE

Forecast capital expenditure is \$14.4m in this Draft Annual Plan compared to \$11.3m in the same year in the Long Term Plan, an increase of \$3.1m.

### The net increase is primarily made up of:

- Projects identified subsequent to the Long Term Plan
  - Westport wastewater renewals of elements of the wastewater and sewerage systems to obtain renewal of resource consents \$2.24m.
  - Westport water trunk main connection to town \$1.65m.
  - Reefton water supply chlorination \$455,000.
- An increase in the inflation rate applied to the Long Term Plan capital programme across the Three Waters activities \$171,000.
- An additional \$300,000 for district revitalisation to be funded by DIA from TIF funding.
- Offset by reductions from the Long Term Plan capital programme
  - Special purpose road bridge replacements taken out as not approved as part of the 2021-2024 Waka Kotahi/ NZTA programme \$1.65m.
  - Clocktower new HVAC system deferral \$306,000.

Most of the capital associated with replacement of assets is infrastructure related and is intended to maintain Council's assets in an acceptable condition to provide the agreed service levels to its communities.

Deferral of the Brougham House upgrade previously provided for in 2020-2021 offsets some of the changes above.

## STATEMENT OF POSITION

Council's term debt is expected to be higher in the 2022-2023 Draft Annual Plan than predicted in the Long Term Plan (\$39m versus \$36.8m). The increase reflects the new budgeted projects Westport wastewater \$2.2m and Westport water \$1.65m that are planned to be funded by external loans offset by the deferral of the Brougham House upgrade \$1.92m.

Cash investments are predicted to be about the same in the Draft Annual Plan.

This results in a net debt position of \$25.8m in the Draft Annual Plan, \$2.3m higher than the \$23.5m predicted in the same year in the Long Term Plan, and slightly more than the net debt limit of \$25m set by Council as part of its Financial Strategy.






Council considers the net debt limit breach necessary to provide core services to the community. Council also reprioritised its planned capital programme to accommodate the new projects while limiting the breach as much as possible.

## FINANCIAL PRUDENCE MEASURES

Draft Annual Plan Disclosure Statement for the year ending 30 June 2023.

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

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

Financial Prudence Benchmarks		Planned	Achieved
Rates increases affordability benchmark	Planned rates increases are no more than the long run cost local government cost index increase (2.2%).	7.7%	
Debt affordability benchmark	Planned net debt (debt less term deposits) is less than \$25m.	\$25.8m	
Balanced budget benchmark	Planned total revenue less excluded items is equal to or greater than operating expenditure less excluded items.	102.6%	
Essential services benchmark	Planned capital expenditure on network services is equal to or greater than depreciation on network services.	195.8%	
Debt servicing benchmark	Planned borrowing costs are equal or less than 10% of planned revenue.	4.2%	

- Council is predicting to not meet the rates affordability and debt affordability benchmarks in its 2022-2023 Draft Annual Plan.
- Council forecast that it would meet all of the financial prudence measures in the Long Term Plan except for the rates increase measure forecasted to be 6.3%.
- The forecasted rates increases measure has risen from 6.3% to 7.7% and is largely due to increases in inflation and interest rates, reflecting both the current and forecast economic environment Council is operating in compared to when the Long Term Plan was prepared. Partly mitigating these cost increases are reductions found within existing budgets, and corresponding increases in investment income due to higher investment interest rates.
- The net debt limit is not achieved as subsequent to the Long Term Plan additional required capital works have been identified including upgrading the Westport Wastewater Pump Station at a cost of \$2.2m, Westport water trunk main connection to town upgrade at \$1.65m, and Reefton water supply chlorination costing \$455,000. Council has reprioritised its capital programme and deferred the upgrade of Brougham House forecast at \$1.932m and Clocktower upgrades of \$412,000 in the Long Term Plan to help offset the additional loan funding required for these capital works.

Achieved



Not achieved



## RATE INCREASES

	2021-2022 Long Term Plan \$000	2022-2023 Long Term Plan \$000	2022-2023 Annual Plan \$000
Total rates	\$16,058	\$17,063	\$17,285
Rateable properties	7,517	7,521	7,525
Average rates	\$2,136	\$2,269	\$2,297
Rate movements	+6.7%	+6.3%	+7.7%

### Note:

- The annual average rate is the sum of the general and targeted rates, divided by the number of ratepayers.
- There will be properties that pay less and others that pay more, depending on the services they receive.

Rates examples by location and sector are included on pages 80 and 81.

## Key consultation topics

In this Draft Annual Plan we are not diverting much from the 2021-2031 Long Term Plan. There are a few key projects that we are seeking community feedback on through the submission process.

Our community consultation commences on 14 April 2022 and submissions are accepted until 17 May 2022.

Council has also published a consultation document and a submission form. Draft Annual Plan documents and the submission form are available on Council's website and from various locations throughout the district.

### WESTPORT WASTEWATER PUMP STATIONS

Subsequent to the adoption of the 2021-2031 Long Term Plan, it has become evident that renewal of elements of the Westport wastewater and sewerage systems is required due to changes in fresh water management policies that do not allow Council to discharge directly to water.

A budget of \$2.24 million has been included in the Draft Annual Plan in the Westport wastewater scheme to prepare elements of the wastewater and sewerage pump station infrastructure to enable this activity to continue and the resource consents and affected party approvals to be gained.

### WESTPORT WATER SUPPLY TRUNKMAIN CONNECTION TO TOWN

The Draft Annual Plan provides in the Westport water supply scheme funding of \$1.65 million towards trunk main replacement, not in the Long Term Plan. This is to build upon central government funding received for trunk main upgrades in 2021-2022. This additional fund is required to complete the upgrade all the way into Westport providing a resilient trunk main in its entirety.

### REEFTON WATER SUPPLY CHLORINATION

The first stage of upgrading the Reefton infrastructure was undertaken last year and this has addressed several issues with the supply. Council will now undertake work to design, install and commission a compliant chlorination system. To complete this a budget of \$455,000 has been provided for in the Draft Annual Plan. This was not included in the 2021-2031 Long Term Plan.

### DEFERRAL OF COMMUNITY FACILITY PROJECTS

#### Brougham House upgrade

The proposal to upgrade Brougham House (which is the Council office building situated in Westport) has been delayed. This is because Council has reprioritised the capital spending and projects which can be delivered throughout the year, taking into account the district wide flood events of July 2021 and February 2022 and new capital budgets required in the Draft Annual Plan. A new heating and cooling system will be installed and decommissioning of the coal-fired boiler which heats Brougham House will be completed. However other upgrade work has been deferred.

#### Clocktower Chambers upgrades

The 2021- 2031 Long Term Plan provided \$106,000 in the 2021 -2022 financial year for new toilets and \$306,000 in 2022 – 2023 financial year for a new HVAC system at the Clocktower

Chambers. The proposed upgrades have been deferred as part of the capital reprioritisation that occurred as part of this Draft Annual Plan. There is no change to the level of service provided to our community due to this reprioritisation.

The net impact of the proposed capital programme changes outlined above has resulted in a breach in net debt limit in the financial strategy contained in the 2021-2031 Long Term Plan. Council considers the net debt limit breach necessary to provide core services to the community. Council also undertook a reprioritisation of its planned capital programme to accommodate the new projects while limiting the breach as much as possible.

### WAIMANGAROA DRINKING WATER UPGRADE

Council continues to invest in capital works for the Waimangaroa water supply and remains committed to providing a safe and compliant scheme for all consumers. This will be completed progressively, based on priority and affordability. The current upgrade of the raw water trunk main will be finished as we begin this Annual Plan period. Due to market pricing exceeding Council's budget provision, the proposed water treatment plant will now be deferred until an alternative funding stream or strategy is identified. In consultation with the community, Council will consider options to repurpose funding from the already approved project budget to focus on improved reliability and resilience of the supply. This may include bulk storage tanks and reticulation renewals to reduce the likelihood of service loss or extended outages. Water treatment and mandatory measures such as chlorination will be assessed as part of the next phase of investment on our journey to compliance within the affordability constraints for ratepayers.

### KARAMEA RESTRICTED WATER SUPPLY

Council has been reviewing the water supply to the Karamea Campground which is managed by Karamea Reserve Sub-committee. Currently the water is supplied through an agreement with Karamea Area School. This agreement expires in October 2022. Without this supply, the campground could not continue to operate and would potentially be closed. Options will be considered by Council, including various self-supply alternatives for the campground, as well as a limited network incorporating the school and utilising upgraded infrastructure. There are no plans to connect the campground supply to any other consumers or for it to become an expanded township scheme.

The additional targeted rates revenue to fund the new Karamea water scheme forms part of the additional increase in total rates included in the Draft Annual Plan.

### COMMUNITY GRANTS

In preparing the Draft Annual Plan Council chose to partly offset the rates increases caused by increasing interest and inflation by reducing the funding available for community grants. Contestable grants were reduced by 50% and tourism and museum support grants by 25% compared to the same year in the Long Term Plan, excluding Coal Town Museum and Reefton Visitor Centre grants as these are part of current change proposals that lock Council into the current level of funding.

Council considers this does not result in a change in level of service as community grants are continued to be provided to the community.

## Partnership with Mana Whenua

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Under the Crown's obligations arising from Te Tiriti o Waitangi, Te Rūnanga o Ngāti Waewae as mana whenua are always going to be heavily engaged in future direction setting for the West Coast Te Tai Poutini in general, and, specifically, for the Buller District. For Council then, a strong and positive relationship with Te Rūnanga Ngāti Waewae is important on every level. Notwithstanding, the relationship with Rūnanga, Council will consult with Ngāti Apa on matters pertaining the Buller District and that the input of Māori not associated with Ngāti Waewae may from time to time be received for consideration of the Council.

Under Section 81 of the Local Government Act 2002, Council must establish and maintain processes to provide opportunities for Maori to contribute to the decision-making processes of the local authority. Council is also required to look at ways to foster the development of Māori capacity to have input into these processes. The Buller District Council recognises and acknowledges that Ngai Tahu is the tangata whenua of Te Tai Poutini. The papatipu runanga for the Buller District is Te Rūnanga o Ngāti Waewae. A relationship has been established with Te Runanga O Ngāti Waewae and is continuing to strengthen.

Buller Council resolved in May 2021, that one Iwi representative will have voting rights at Buller District Council committee meetings from 1 July 2021.

The addition of voting rights was a logical step to further enhance Council and Iwi partnership. It also further strengthens, develops and extends the Council relationship with Te Rūnanga o Ngāti Waewae especially across Council's wider cultural, social, economic, environmental and legal interests regarding its districts obligations.



# Council activities

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

## REGULATORY SERVICES

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

## ROADING AND TRANSPORT

- Sealed and unsealed roads
- Culverts
- Bridges
- Footpaths
- Seats and shelters
- Road signs and markings
- Street lighting
- Urban development

## WATER SUPPLIES

- Westport
- Reefton
- Waimangaroa
- Ngakawau-Hector
- Inangahua Junction
- Little Wanganui
- Cape Foulwind
- Punakaiki
- Mokitini

## WASTEWATER/SEWERAGE

- Westport
- Reefton
- Little Wanganui

## STORMWATER

- Hector
- Ngakawau
- Seddonville
- Granity
- Waimangaroa
- Westport
- Carters Beach
- Reefton

## SOLID WASTE

- Collection, transfer and final disposal of waste materials
- Recycling
- Landfill sites
- Monitors groundwater quality at landfill's
- Waste minimisation

## PROFESSIONAL SERVICES BUSINESS UNIT

- Engineering services
- Preparation of contracts
- Monitor contractors performance
- Organise work to be carried out

## COMMUNITY SERVICES

- Community grants and funding
- Sports, recreation and cultural facilities and services
- Libraries
- Communications
- Theatre/cinema
- Economic development

## GOVERNANCE, REPRESENTATION

- Leadership
- Advocacy
- Accountable stewardship of Council's assets and resources

## CUSTOMER SERVICES, SUPPORT SERVICES

- Corporate planning
- Financial and accounting operations
- Rating operations
- Health and safety
- Asset management
- Management functions
- Human resources management

## COMMUNITY FACILITIES

- Public toilets
- Amenities and reserves
- Property management
- Cemeteries
- Housing for the elderly
- Westport Harbour

## COUNCIL CONTROLLED ORGANISATIONS

- Buller Holdings Limited
- WestReef Services Limited
- Buller Recreation Limited

## OTHER COUNCIL CONTROLLED ORGANISATIONS

- Buller Health Trust
- Denniston Heritage Trust
- Westport Airport

# Regulatory Services - Ratonga ture

## WHAT DO WE DO

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

## WHY WE DO THESE ACTIVITIES

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

- The animal and stock management service aims to provide a safer district by reducing dog-related offences through the registration of dogs, the education of their owners to ensure compliance with the Dog Control Act, 1996 relevant bylaws, and advice on dog behaviour. We also investigate and resolve complaints.
- The planning service ensures the district is able to promote development to support a prosperous community without compromising rights of residents and the district's physical and natural assets/resources. It achieves its aim by appropriate application of the Resource Management Act 1991, through the review and implementation of the District Plan and its resource consent and monitoring functions.
- Council's building control services ensures that the district's buildings and other associated structures (such as swimming pools) are safe, habitable and meet national legislative requirements.
- Compliance and enforcement management activities focus on working with the community to ensure the district remains an attractive and peaceful place to live and work. By the careful application of bylaws and other legal mechanisms, Council aims to reduce littering, effectively manage freedom camping and respond to noise nuisances, as well as encourage residents to maintain tidy sections.
- Alcohol licensing ensures the statutory requirements of the Sale and Supply of Alcohol Act 2012 are met, in that the sale and supply of alcohol is undertaken responsibly, and any harm caused by excessive or inappropriate consumption is minimised.
- Civil Defence Emergency Management ensures the objectives of the Civil Defence Emergency Management Act 2002 are being met, in that we provide reduction, readiness, response and recovery plans in the event of a significant emergency.
- Environmental health ensures that operators meet required public health standards.

## HOW WE CONTRIBUTE TO STRATEGIC GOALS AND COMMUNITY OUTCOMES

These activities support the following community outcomes:

### Well-being

- Provide essential services to residents and businesses to support a healthy environment.
- Provide and develop safe public places.

- Emergency management is a key function in ensuring people are kept safe in the event of a natural disaster and that damage to property is minimised.

### Learning

- Make information easily available about Council, its functions, and services.
- Recognise and support educational excellence and opportunity in the district.

### Who we are

- Providers of opportunities for the community to work in partnership with Council.

### Sustainable environment

- Develop policies and implement practices that enhance our environmental sustainability and natural diversity.

## SIGNIFICANT ISSUES AND THEIR IMPACT

### Te Tai o Poutini Plan

The TToPP governance group has chosen to expedite the plan in order to align with central governments review of the Resource Management Act. The exposure draft for the Te Tai o Poutini Plan is now out and public consultation is underway. It is anticipated the draft plan will be notified in July 2022. The West Coast Regional Council website has more information and community members are encouraged to engage in the process.

## CLIMATE CHANGE

Climate change has made its presence felt in the Buller District and Council has committed to the development of a climate change adaption strategy so we can better understand, manage and mitigate future impacts and respond accordingly. It is anticipated that Buller is going to become warmer, wetter, and windier with an increase in the frequency and intensity of storm events. The strategy will, among other things look at hard protection structures, appropriate restrictions for new development and managed retreat options where appropriate to provide certainty and where possible, security. Council understands that a mismatch currently exists between the scale of the challenge and the available resources, hence Council's decision to utilise a stepped approach over several years. We will also continue to advocate strongly for central government assistance. What Council is not prepared to do is delay this process any further, we must act now. Another important action to complement the strategy is to undertake a survey of Council's own practices so we can identify and reduce our carbon emissions. We have engaged an external company, Toitu Envirocare in order to identify and measure our results against a robust criteria.

### Negative effects

There are no potential negative effects from this activity.

### Significant Variances between the Draft Annual Plan and the Long Term Plan

Other receipts are greater than the Long Term Plan due to higher activity, and a small increase in charges. Payments to suppliers and staff are greater than the Long Term Plan due to higher activity particularly building and planning.

### Capital expenditure

There is no Capital expenditure planned for 2022-2023.



## FUNDING ALLOCATIONS

Activity	Funding mechanism		
	General rate	Fees	Capital spend
Resource management planning	90-98%	2-10%	Depreciation reserves, Loans
Resource consents	30-40%	60-40%	Depreciation reserves, Loans
Building control	35-45%	55-65%	Depreciation reserves, Loans
Animal control - dogs	30-40%	60-70%	Depreciation reserves, Loans
Animal control - stock	90-98%	2-10%	No capital spend
Environmental health - food premises	60-70%	30-40%	No capital spend
Environmental health - liquor licensing	75-90%	10-25%	No capital spend
Environmental health - noise	90-95%	5-10%	No capital spend
Environmental health - general inspection	100%	Nil	No capital spend
Environmental health - freedom camping	100%	Externally funded	No capital spend
Emergency management	100%	Nil	No capital spend

## SIGNIFICANT VARIANCES

### Annual Plan vs Long Term Plan

#### General rates, Uniform Annual General Charge, rate penalties

- The predicted variance is due to the movement in income and expenses explained below.

#### Payments to suppliers and staff

- The variance is primarily additional cost for One District Plan and additional Building and Civil Defence costs.

#### Internal charges and overheads applied

- Predicted increases in costs allocated from other activities in Council.
- A new fee shall be charged to access property files from 1 July 2022.

#### Capital expenditure

##### - to replace existing assets

- a planned vehicle replacement has been deferred.

## KEY PERFORMANCE INDICATORS - REGULATORY SERVICES

Activity	Community Outcome	Activity contribution	Level of service	Performance measures 2021-2024	Performance measures 2025-2031
<b>Building Consent Authority</b>	<ul style="list-style-type: none"> <li>Social</li> <li>Economic</li> </ul>	Ensure quality assurance requirements for building consent authorities are met, as required by Regulation 17 of the Building Consent Authorities Regulation 2006.	Process building consent applications within the statutory timeframes.	<p>100% of building consents are technically correct and granted within statutory timeframes.</p> <p>Continue to retain accreditation by passing the biennial IANZ Audits. Next audit due end of 2021.</p>	<p>100% of building consents are technically correct and granted within statutory timeframes.</p> <p>Continue to retain accreditation by passing the biennial IANZ Audits. Next audit due end of 2021.</p>
<b>Resource Consent Planning</b>	<ul style="list-style-type: none"> <li>Social</li> <li>Economic</li> </ul>	Ensure appropriate management and promotion of the district's natural and physical resources.	Process non-notified resource consents within statutory timelines.	Process 100% of non-notified resource consents within statutory timeframes.	Process 100% of non-notified resource consents within statutory timeframes.
<b>Food premises Public Health and Safety</b>	<ul style="list-style-type: none"> <li>Social</li> <li>Economic</li> </ul>	Ensure environmental health standards are met, so food offered for sale is prepared appropriately and safe for consumption.	Inspect all food premises, hairdressers, funeral homes, camping grounds and offensive traders, ensuring they meet the Food Hygiene Regulations 1974 and the Food Act 2014.	<p>All food premises are inspected according to their status of 9, 12 or 18-month frequency.</p> <p>Inspect 100% of all hairdressers, funeral homes, camping grounds and offensive traders once annually for compliance.</p>	<p>All food premises are inspected according to their status of 9, 12 or 18-month frequency.</p> <p>Inspect 100% of all hairdressers, funeral homes, camping grounds and offensive traders once annually for compliance.</p>

## KEY PERFORMANCE INDICATORS - EMERGENCY MANAGEMENT

Activity	Community Outcome	Activity contribution	Level of service	Performance measures 2021-2024	Performance measures 2025-2031
<b>Civil Defence Emergency Management</b>	<div> <div></div> <div>Social</div> <div></div> <div>Affordability</div> </div>	<p>Allows the community to have confidence in Council's ability to respond in an emergency as well as empowering residents to be better prepared physically and psychologically for a civil defence event.</p> <p>Facilitates better preparation leading to a better response and recovery.</p> <p>Ensure adequate staff are trained to respond to civil defence emergencies and EOC activations.</p>	<p>Co-ordinate civil defence readiness, response, and recovery and reduction. Education about flood evacuation plan is socialised.</p> <p>Buller Emergency Operation Centre (EOC) is operationally ready, resilient, and equipped to respond to all civil defence emergencies.</p> <p>Provide communication equipment to support operational communications networks, ie, sat phones, VHF and UHF radios.</p> <p>Buller District Council staff are adequately trained to respond to a civil defence emergency attend training as required.</p>	<p>Council carries out its legislative functions as part of the West Coast CDEMG.</p> <p>One annual education campaign happens to communicate the key points of the Buller District Flood Plan.</p> <p>Council maintains a dedicated Emergency Operations Centre facility.</p> <p>Communities have access to suitable emergency communications equipment to ensure connectivity during civil defence emergencies.</p> <p>Council will ensure it has adequately trained staff available to immediately respond to and run the EOC for a minimum period of 48hrs.</p>	<p>Council carries out its legislative functions as part of the West Coast CDEMG.</p> <p>One annual education campaign happens to communicate the key points of the Buller District Flood Plan.</p> <p>Council maintains a dedicated Emergency Operations Centre facility.</p> <p>Communities have access to suitable emergency communications equipment to ensure connectivity during civil defence emergencies.</p> <p>Council will ensure it has adequately trained staff available to immediately respond to and run the EOC for a minimum period of 48hrs.</p>

## FORECAST FUNDING IMPACT STATEMENT - REGULATORY SERVICES

Annual Plan 2021-2022 \$000	Long Term Plan 2022-2023 \$000	Annual Plan 2022-2023 \$000
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### Operating funding

#### Sources of operating funding

General rates, Uniform Annual General Charge, Rates penalties	1,419	1,507	1,529
Targeted rates	0	0	0
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	932	934	1,207

<b>Total Operating Funding</b>	<b>A</b>	<b>2,351</b>	<b>2,441</b>	<b>2,736</b>
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#### Applications of operating funding

Payments to Suppliers and staff	1,670	1,681	1,944
Finance Costs	1	1	1
Internal charges and overheads applied	653	719	752
Other operating funding applications	0	0	0

<b>Total Applications of Operating Funding</b>	<b>B</b>	<b>2,324</b>	<b>2,401</b>	<b>2,697</b>
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<b>Surplus/ (deficit) of Operating Funding</b>	<b>A-B</b>	<b>27</b>	<b>40</b>	<b>39</b>
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### Capital funding

#### Sources of capital funding

Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	52	53	53
Increase/(Decrease) in Debt	(9)	(10)	(9)
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
Other Dedicated Capital Funding	0	0	0

<b>Total Sources of Capital Funding</b>	<b>C</b>	<b>43</b>	<b>43</b>	<b>44</b>
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Capital Expenditure				
- to meet additional demand	0	0	0	
- to improve the level of service	0	0	0	
- to replace existing assets	131	62	0	
Increase/(decrease) in reserves	(61)	21	83	
Increase/(decrease) in investments	0	0	0	

<b>Total applications of Capital Funding</b>	<b>D</b>	<b>70</b>	<b>83</b>	<b>83</b>
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<b>Surplus/ (deficit) of Capital Funding</b>	<b>C-D</b>	<b>(27)</b>	<b>(40)</b>	<b>(39)</b>
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<b>Funding Balance</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
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# Roading and Transport

## Roading

### WHAT WE DO

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

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

### WHY WE ARE INVOLVED IN THIS ACTIVITY

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

### ASSUMPTIONS

That Waka Kotahi/New Zealand Transport Agency (NZTA) will provide funding for local roads at 72% for 2022-2023. Funding for the Karamea Highway which is a Special Purpose Road is maintained at 100% until 30 June 2024.

Council and Waka Kotahi have been working together on a transition plan for the Special Purpose Roads by June 2024 in accordance with Waka Kotahi requirements.

Council assumes that fuel tax rates remain at the current level and that fuel consumption remains at the current level (as fuel tax received helps to offset the cost of providing roading throughout the district).

### NEGATIVE EFFECTS

Roads can disrupt natural drainage patterns, introduce contaminants into the stormwater and change the landscape.

The purpose of the road management systems is to minimise these effects, while still providing a safe platform for development. There can be significant negative effects if the roading network is inadequate or under maintained.

Inadequately maintained roads are an increased safety risk and they significantly increase travel and renewal costs. This risk is mitigated by ensuring that renewals are undertaken in line with the Roding Asset Management Plan. This plan ensures that road and footpath maintenance is undertaken at the optimum level to maintain the current level of service provided.

### LINKS TO COMMUNITY OUTCOMES

This activity supports the following community outcomes.

#### Sustainable environment

- By helping reduce energy consumption in our community.

#### Prosperity

- 

#### Learning

- 

### SIGNIFICANT CAPITAL EXPENDITURE

- By providing a safe and resilient roading system.
- Footpaths are progressively renewed/resurface to provide a safe environment (\$663,000).

### FUNDING ALLOCATIONS

By providing everyone easy access to roading network.

Activity	Funding mechanism			
	Year	General rate	Financial assistance	Capital spend
Roding	2020/2021	28%	72%	General rates NZTA subsidy Loans Investments
Urban Development	2020/2021	100%	Nil	General rates Loans Investments

## SUBSIDIES AND GRANTS FOR CAPITAL EXPENDITURE

There have been changes to capital expenditure between the Long Term Plan and the 2021-2024 Waka Kotahi Roading Programme reducing the planned capital subsidy.

Council will continue to support our amazing volunteers and community groups with projects aligned to our shared vision. In this Draft Annual Plan, funding has been set aside for community-led revitalisation accessed via the existing application and allocation process which has delivered so many successful outcomes in previous years.

Council-led revitalisation will remain focused on the larger scale infrastructure works such as Westport's The Riverbank phase 2 and the town centre plaza, as well as other urban and rural projects subject to levels of external funding. These activities are aligned with the master plans and design frameworks underpinning the previous LTP and remain a priority in this Draft Annual Plan.

The true success story of district revitalisation is attracting co-investment from central government and key stakeholders. By providing both a compelling case and contribution to the costs, Council can demonstrate commitment and accountability with our funding partners. Complemented by our proven track record of successful delivery, this helps to unlock significant external funding for projects that would otherwise be unaffordable for our ratepayers. We will continue to build on this important strategic approach.

## SIGNIFICANT ISSUES

### One Network Framework

This is a joint initiative between Waka Kotahi/New Zealand Transport Agency (NZTA) and Local Government New Zealand that has introduced a road classification system for all roads in New Zealand.

This will introduce different levels of service across roads of different classification. This allows the agency and the Road Controlling Authority better information on which to make better investment decisions.

Council has undertaken the classification using the framework. Council has also collaborated with Westland and Grey District Councils to ensure that there is regional consistency.

### Karamea Special Purpose Road

The Karamea Special Purpose Road was previously state highway and following agreement was transferred to Buller District Council management with 100% subsidy from Waka Kotahi as a designated Special Purpose Road. This road provides a vital lifeline to the Karamea community, Heaphy Track terminus and it takes significant amounts of daily dairy tanker traffic.

An estimated \$60M of agricultural product passes across the road each year, with tourist traffic providing additional economic value to the area.

The Karamea Special Purpose Road transits very difficult terrain with sheer cliffs, bluffs and drops either side of the road. The known original construction methodology of a tree trunk base 'corduroy' foundation has made the road very susceptible to large slumping and dropouts as the old tree trunks rot and compact.

Significant storm damage was experienced along this road in the February 2022 flood event. This has led to an extensive repair plan being approved and funded by Waka Kotahi to restore pre event service levels for the community.

The issues associated with the management and maintenance of the Karamea Special Purpose Road are known and managed where possible. Due to the original construction and physical terrain, risk mitigation at reasonable cost will be determined on a case by case basis.

The long term costs of maintaining and keeping the Karamea Special Purpose Road in operation are considerable given the nature of the terrain it traverses. Similar roads in New Zealand are State Highway, such as State Highway 60 (Motueka to Collingwood) and State Highway 2 (Wairoa to Gisborne). All these roads experience similar terrain induced maintenance issues, with State Highway 60 and 2 being fully managed and maintained by Waka Kotahi and their contractors.

By June 2024 it is expected the Karamea Special Purpose Road will lose its special purpose designation.

A draft transition plan has been prepared and is under review by both parties. Whilst there is a good understanding of each other's perspective, there is more work needed on how best to proceed considering fundamental principles of well-being, sustainability, and affordability for the communities of Buller. Council's objective from the beginning of the process has been to avoid any additional burden and risk to ratepayers for maintenance, management, or event response.

Whilst the current draft does not present an acceptable option to meet this objective, it is Council's desire to work collaboratively with Waka Kotahi to find an agreed way forward. This ongoing effort reflects the significance placed on what is a critical risk for our district.

## SIGNIFICANT VARIANCES

### Annual Plan vs Long Term Plan

#### General rates, Uniform Annual General Charge, rate penalties

- Reduction is due a predicted net reduction in costs as explained below.

#### Subsidies and grants for operating purposes

- Predicted reduction is due to a predicted reduction in maintenance costs explained below.

#### Payments to suppliers and staff

- Aligning the operating budgets to the Waka Kotahi 2021-2024 roading programme resulting in a minor net reduction
- Removal of Council's contribution to the Punakaiki Master Plan provided for in the Long Term Plan.

#### Subsidies and grants for capital expenditure

- Reduction in subsidies expected from Waka Kotahi for the reduced capital expenditure in 2022-2023 as explained below.

#### Capital expenditure

##### - to improve the level of service

- Removal of \$1.65 million of planned replacements of bridges at Little Wanganui not approved as part of the 2021-2024 Waka Kotahi roading programme.
- \$300,000 increase in the District Revitalisation budget proposed to be externally funded

##### - to replace existing assets

- Aligning the renewals budgets to the Waka Kotahi 2021-2024 roading programme resulting in minor reductions.

## Transport and urban revitalisation

### WHAT WE DO

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

Council provides, maintains and renews footpaths, seats and shelters to enable people and businesses to move around for employment, recreation, shopping, social activities and business purposes. It also provides road signs, markings and street lighting to ensure that travel is safe and convenient. Council improves the transport network to meet changing needs and develops plans to ensure the transport network is able to cater for future growth. Council also provides support for the continued operation of the Westport Taxi services which provide public transport.

Urban development is undertaken to provide a more pleasant environment for our communities by use of plantings, street treatment and decorative measures. This extends to the beautification of main thoroughfares with street flags and hanging floral baskets.

### WHY WE ARE INVOLVED IN THIS ACTIVITY

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

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

### ASSUMPTIONS

That New Zealand Transport Agency (NZTA) Waka Kotahi will provide funding for certain transport activities including public transport services, footpath maintenance and resurfacing and some transport planning at 72% of the cost for 2022-2023.

Council assumes land use will remain at current patterns and there will be no large industrial or residential developments outside of the current land areas.

### NEGATIVE EFFECTS

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

### COMMUNITY OUTCOMES AND HOW WE CONTRIBUTE TO STRATEGIC GOALS

This activity supports the following community outcomes:

#### Sustainable environment

- By creating relationships within the community that contribute to the overall beautification of our transport spaces and ensure that mobility issues are addressed for all stakeholders.
- By promoting cycleways and walkways, signs and wayfinding and parking infrastructure.

#### Prosperity

- By providing assistance with public transport.
- By helping reduce energy consumption in our community.

#### Learning

### SIGNIFICANT CAPITAL EXPENDITURE

- District revitalisation \$609,000 with \$300,000 proposed to be externally funded.

### FUNDING ALLOCATIONS

By providing everyone easy access to the greater roading network by providing links to sustain rural communities.

Activity	Funding mechanism			
	Year	General rate	Financial assistance	Capital spend
Urban Development	2022-2023	100%	NIL	General rates Loans Investments



## KEY PERFORMANCE INDICATORS - ROADING AND TRANSPORT

Activity	Community Outcome	Activity contribution	Level of service	Performance measures 2021-2024	Performance measures 2025-2031
<b>Roads and transport</b>	<ul style="list-style-type: none"> <li>Social</li> <li>Affordability</li> <li>Prosperity</li> </ul>	Roads, footpaths, and transport links help to achieve an integrated, safe, responsive, and sustainable land transport system.	No change or reduction in the safety quality of the road network from the previous financial year in the number of fatalities and serious injury crashes. Ensure district roads remain safe.	≥ No change or reduction in the safety quality of the roading network from the previous financial year.	≥ No change or reduction in the safety quality of the roading network from the previous financial year.
<b>Roads and transport</b>	<ul style="list-style-type: none"> <li>Social</li> <li>Affordability</li> <li>Prosperity</li> </ul>	Roads, footpaths, and transport links help to achieve an integrated, safe, responsive, and sustainable land transport system.	The sealed and unsealed roads are fit-for-purpose and provide for comfortable, efficient, and safe travel. Smooth Travel Exposure (STE - system scoring count) is measured on our sealed road network. Sealed and unsealed roading network is being maintained.	≥ STE is greater than 90 STE performance per km of road roughness. ≥ The ten-year average for sealed local road that is resurfaced is greater than 5.8% per annum based on network length. ≥ Unsealed network surfacing renewal annual target of greater than 2,500m <sup>3</sup> .	≥ STE is greater than 90 STE performance per km of road roughness. ≥ The ten-year average for sealed local road that is resurfaced is greater than 5.8% per annum based on network length. ≥ Unsealed network surfacing renewal annual target of greater than 2,500m <sup>3</sup> .
<b>Roads and transport</b>	<ul style="list-style-type: none"> <li>Social</li> <li>Affordability</li> <li>Prosperity</li> </ul>	Roads, footpaths, and transport links help to achieve an integrated, safe, responsive, and sustainable land transport system.	Footpaths are fit-for-purpose and provide for comfortable and efficient travel Footpaths are maintained within the level of service standard for the condition of footpath.	≥ Continue to achieve 75% of district footpaths ranked as grade 1 and 2 (satisfactory). ≥ Continue to achieve 95% of district footpaths ranked as grade 1 through to 3 (satisfactory – fair).	≥ Continue to achieve 75% of district footpaths ranked as grade 1 and 2 (satisfactory). ≥ Continue to achieve 95% of district footpaths ranked as grade 1 through to 3 (satisfactory – fair).
<b>Roads and transport</b>	<ul style="list-style-type: none"> <li>Social</li> <li>Affordability</li> <li>Prosperity</li> </ul>	Roads, footpaths, and transport links help to achieve an integrated, safe, responsive, and sustainable land transport system.	Responsive to, and focus on, the customer. Ensure that customers' service requests relating to road and footpaths are acknowledged and placed into the forward works programme (as appropriate in relation to priority).	≥ Service requests are managed through the service request systems and 85% of requests are planned for action, in line with level of service criticality, within 15 working days.	≥ Service requests are managed through the service request systems and 85% of requests are planned for action, in line with level of service criticality, within 15 working days.



## FORECAST FUNDING IMPACT STATEMENT - ROADING AND TRANSPORT

Annual Plan 2021-2022 \$000	Long Term Plan 2022-2023 \$000	Annual Plan 2022-2023 \$000
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### Operating funding

#### Sources of Operating Funding

General rates, Uniform Annual General Charge, Rates penalties	2,197	2,262	2,111
Targeted rates	0	0	0
Subsidies and grants for operating purposes	2,849	2,989	2,840
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	157	162	132

<b>Total Operating Funding</b>	<b>A</b>	<b>5,203</b>	<b>5,413</b>	<b>5,083</b>
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#### Applications of operating funding

Payments to Suppliers and staff	3,301	3,568	3,387
Finance Costs	3	9	12
Internal charges and overheads applied	1,068	1,122	974
Other operating funding applications	0	0	0

<b>Total Applications of Operating Funding</b>	<b>B</b>	<b>4,372</b>	<b>4,699</b>	<b>4,373</b>
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<b>Surplus/ (deficit) of Operating Funding</b>	<b>A-B</b>	<b>831</b>	<b>714</b>	<b>710</b>
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### Capital funding

#### Sources of capital funding

Subsidies and grants for capital expenditure	4,974	4,844	3,407
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	254	256	244
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
Other Dedicated Capital Funding	0	0	0

<b>Total Sources of Capital Funding</b>	<b>C</b>	<b>5,228</b>	<b>5,100</b>	<b>3,651</b>
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#### Capital Expenditure

- to meet additional demand	0	0	0
- to improve the level of service	2,180	2,248	889
- to replace existing assets	3,879	3,566	3,472
Increase/ (decrease) in reserves	0	0	0
Increase/ (decrease) in investments	0	0	0

<b>Total applications of Capital Funding</b>	<b>D</b>	<b>6,059</b>	<b>5,814</b>	<b>4,361</b>
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<b>Surplus/ (deficit) of Capital Funding</b>	<b>C-D</b>	<b>(831)</b>	<b>(714)</b>	<b>(710)</b>
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<b>Funding Balance</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
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# Water Supplies - Taonga Wai

## WHAT WE DO

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

## WHY WE DO IT

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

## ASSUMPTIONS

There will not be significant change to current water demand on any of the Council water supplies.

There will be no major infrastructure failures.

## SIGNIFICANT PROJECTS

### New Drinking Water Standards

The Water Service Act will see new Drinking Water Standards and performance requirements be introduced. Taumata Arowai is the new regulator. There are a variety of new requirements as part of these standards, and currently most Buller District Council supplies will not comply with the new standards. As a result, significant works associated with the Buller District Council's Treatment Plants and network monitoring are required, including:

- Chlorination of Reefton, Inangahua, and Punakaiki;
- Increased requirements for source water and reticulation monitoring;
- New water safety plans to be completed for all supplies;
- Treatment and chlorination of untreated supplies operated by Council.

This road to compliance will come at a direct cost to consumers and for some supplies this will require significant upgrading and investment in both water treatment and the introduction of chlorination. This investment may take several years to complete and is part of a Council's pathway to compliance which is matched to affordability.

Across all Council supplies the new Act requires fluoridation to be mandatory if more than 500 people are served.

### Westport Water Supply

The new Water Service Act requires the fluoridation of water supplies. In the first instance this applies to supplies over 500 people – so currently is relevant to Westport and Reefton.

Westport water supply raw water intakes at Giles Creek was significantly damaged in the February 2022 storm event and work is being undertaken to find resilient, safe and appropriate alternative solutions.

The \$1.65M of trunk main replacement, will build onto the Central Government funding received for trunk main upgrades in 2021-2022. This additional fund is required to complete the upgrade all the way into Westport providing a resilient trunk main in its entirety.

Council continues to invest in capital works for the Waimangaroa water supply and remains committed to providing a safe and compliant scheme for all consumers. This will be completed progressively, based on priority and affordability. The current upgrade of the raw water trunk main will be finished as we begin this Draft Annual Plan period. Due to market pricing exceeding Council's budget provision, the proposed water treatment plant will now be deferred until an alternative funding stream or strategy is identified. In consultation with the community, Council will consider options to repurpose funding from the already approved project budget to focus on improved reliability and resilience of the supply. This may include bulk storage tanks and reticulation renewals to reduce the likelihood of service loss or extended outages. Water treatment and mandatory measures such as chlorination will be assessed as part of the next phase of investment on our journey to compliance within the affordability constraints for ratepayers.

### Reefton Water Supply

The first stage of the Reefton infrastructure upgrade was completed during 2021. This work has addressed several issues with the supply. Council will now undertake work to design, install and commission a compliant chlorination system.

The new Water Service Act requires the fluoridation of Reefton water supply has been mandated, as it supplies water to over 500 people.

### Karamea Restricted water supply

Council has been reviewing the water supply to the Karamea Reserve Subcommittee Campground. Currently their water is supplied through an agreement with Karamea Area School which expires in October 2022. Without this supply, the campground could not continue to operate and would potentially be closed. Options will be considered by Council, including various self-supply alternatives for the campground, as well as a limited network incorporating the school and utilising upgraded infrastructure. There are no plans to connect the campground supply to any other consumers or for it to become an expanded township scheme.

## NEGATIVE EFFECTS

There are no negative effects from upgrading water supplies aside from the impact of costs to consumers.

## LINKS TO COMMUNITY OUTCOMES

### Well-being

- Providing reticulated water supply supports a healthy community.
- Providing water supply for sanitary services support a healthy community.
- Maintaining sufficient water for firefighting purposes supports resilience and wellbeing.

### Environment



### Learning

- Providing water conservation education enhances community understanding.

### Prosperity

- By meeting commercial and community needs at an affordable cost with equal access to water enables our community to prosper.

**LEVELS OF SERVICE**  
Conserving water and encouraging others to do the same supports a healthy environment. There are no negative effects from upgrading water supplies aside from the impact of costs to consumers. The overall corporate goals and legislative requirements have been translated into a number of more specific target performance standards. These are summarised below:

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

## SIGNIFICANT CAPITAL EXPENDITURE AND CHANGES IN LEVEL OF SERVICE

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

### Westport water supply:

- Trunkmain connection to town \$1.65 million.
- Ongoing mains and water treatment plant renewals \$330,000.
- Backflow prevention \$165,000.
- Condition assessments and managing pressure, water loss and resilience \$148,000.
- Reefton water supply treated water protection \$455,000.
- Cape Foulwind installation of meters and tanks \$165,000.
- Punakaiki automate control of storage tanks \$66,000.

## FUNDING ALLOCATIONS

Activity	Funding mechanism	
	Targeted rate	Capital spend
Water Supplies	100%	Targeted rates Subsidies Investments Depreciation reserves Loans

## SIGNIFICANT VARIANCES

### Annual Plan vs Long Term Plan:

#### Targeted rates

- The increase in targeted rates compared to the Long Term Plan is mainly due to the increase in loan interest rates and inflationary pressures.

#### Finance costs

- Loan interest rates have increased since the Long Term Plan, offset partly by a delay in drawing down of the planned loan for the Waimangaroa water supply upgrade.

#### Increase/(decrease) in debt

- Loans for Westport water trunkmain \$1.65 million and Reefton water chlorination \$455,000 not in the Long Term Plan.

#### Capital expenditure

##### - to improve the level of service

- Reefton chlorination not in the Long Term Plan.

##### - to replace existing assets

- There is a slight variance in the split of assets which are considered replacements or level of service improvements.

## TARGETED RATES (ROUNDED)

(GST exclusive)

Water supplies	2022-2023 Annual Plan
Westport	\$1,097
Reefton	\$1,093
Little Wanganui	\$316
Mokihinui	\$368
Ngakawau-Hector	\$357
Waimangaroa	\$1,093
Punakaiki water	\$1,188
Inangahua Junction	\$990
Karamea	\$15,541
South Granity tank supply (administered by Buller District Council)	\$288

## KEY PERFORMANCE INDICATORS

Activity	Community Outcome	Activity contribution	Level of service	Performance measures 2021-2024	Performance measures 2025-2031
<b>Provide an adequate quality of water</b>	<ul style="list-style-type: none"> <li>■ Social</li> <li>■ Affordability</li> <li>■ Prosperity</li> <li>■ Environment</li> </ul>	Safe drinking water supports the health of our community.	Council water supplies conform to part 4 and part 5 of the Drinking Water Standards.	<ul style="list-style-type: none"> <li>≥ Full compliance (100%) with part 4 (bacteria compliance criteria).</li> <li>≥ Full compliance (100%) with part 5 (protozoa compliance criteria).</li> </ul>	<ul style="list-style-type: none"> <li>≥ Full compliance (100%) with part 4 (bacteria compliance criteria).</li> <li>≥ Full compliance (100%) with part 5 (protozoa compliance criteria).</li> </ul>
<b>Provide a reliable supply of water</b>	<ul style="list-style-type: none"> <li>■ Social</li> <li>■ Affordability</li> <li>■ Prosperity</li> <li>■ Environment</li> </ul>	A reliable supply of water is provided through a maintained network.	No more than a 30% of real water loss from the networked reticulation system.	<ul style="list-style-type: none"> <li>≥ No more than 30% water loss from the reticulation system.</li> </ul>	<ul style="list-style-type: none"> <li>≥ No more than 30% water loss from the reticulation system.</li> </ul>
<b>Provide a reliable supply of water - fault response times</b>	<ul style="list-style-type: none"> <li>■ Social</li> <li>■ Affordability</li> <li>■ Prosperity</li> <li>■ Environment</li> </ul>	A reliable supply of water is provided through a maintained network.	Response to network outages, faults and unplanned interruptions are measured.	<ul style="list-style-type: none"> <li>≥ Attendance for urgent call-outs: from the time Council receives notification to the time that service personnel reach the site is to be two hours at the most.</li> <li>≥ Resolution of urgent call-outs: from the time Council receives notification to the time that service personnel confirm resolution of the fault or interruption is to be eight hours at the most.</li> <li>≥ Attendance for non-urgent call-outs: from the time Council receives notification to the time that service personnel reach the site is to be one working day at the most.</li> <li>≥ Resolution of non-urgent call-outs: from the time Council receives notification to the time that service personnel confirm resolution of the fault or interruption is to be five working days at the most.</li> </ul>	<ul style="list-style-type: none"> <li>≥ Attendance for urgent call-outs: from the time Council receives notification to the time that service personnel reach the site is to be two hours at the most.</li> <li>≥ Resolution of urgent call-outs: from the time Council receives notification to the time that service personnel confirm resolution of the fault or interruption is to be eight hours at the most.</li> <li>≥ Attendance for non-urgent call-outs: from the time Council receives notification to the time that service personnel reach the site is to be one working day at the most.</li> <li>≥ Resolution of non-urgent call-outs: from the time Council receives notification to the time that service personnel confirm resolution of the fault or interruption is to be five working days at the most.</li> </ul>
<b>Provide a reliable supply of water - demand management</b>	<ul style="list-style-type: none"> <li>■ Social</li> <li>■ Affordability</li> <li>■ Prosperity</li> <li>■ Environment</li> </ul>	Demand on the water supply is managed through a maintained network.	Meet the average consumption of drinking water per day per resident within the Buller District.	<ul style="list-style-type: none"> <li>≥ 700 litres per resident per day.</li> </ul>	<ul style="list-style-type: none"> <li>≥ 700 litres per resident per day.</li> </ul>
<b>Provide an acceptable supply of water - customer satisfaction</b>	<ul style="list-style-type: none"> <li>■ Social</li> <li>■ Affordability</li> <li>■ Prosperity</li> <li>■ Environment</li> </ul>	An acceptable supply of water is provided through a maintained network to communities	Stated performance delivery of the supply does not exceed the total complaints received target on the following aspects of the drinking water: <ul style="list-style-type: none"> <li>■ Clarity</li> <li>■ Taste</li> <li>■ Odour</li> <li>■ Pressure or flow</li> <li>■ Continuity of supply</li> </ul>	<ul style="list-style-type: none"> <li>≥ Less than 5 valid complaints per 1,000 connections for these measures.</li> </ul>	<ul style="list-style-type: none"> <li>≥ Less than 5 valid complaints per 1,000 connections for these measures.</li> </ul>

TABLE 1: DRINKING WATER STANDARD - NZ COMPLIANCE

Water supply	Population (WINZ)	Bacterial compliance		Protozoal compliance (%)	
		Current performance	Target	Current performance	Target
South Granity Tank Supply (administered by Council)	30	No *	No	No *	No
Hector/Ngakawau (administered by Council)	219	No *	No	No *	No
Inangahua Junction	70	Yes	Yes	No***	Yes
Little Wanganui	150	No *	No	No *	No
Mokihinui	100	No *	No	No *	No
Punakaiki	230	No****	Yes	No****	Yes
Reefton	951	No ****	Yes	No ****	Yes
Waimangaroa	300	No *	No	No *	No
Westport (including Carters Beach)	4,974	No ****	Yes	No ***	Yes

\* No treatment plant to enable compliance

\*\* E.Coli detection in supply

\*\*\* Data collection and reporting errors

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

TABLE 2: DRINKING WATER STANDARD - NZ COMPLIANCE

Water supply	Population (WINZ)	Bacterial compliance	
		Current performance	Target
South Granity Tank Supply (administered by Council)	30	No *	No
Hector/Ngakawau (administered by Council)	219	No *	No
Inangahua Junction	70	Yes	Yes
Little Wanganui	150	No *	No
Mokihinui	100	No *	No
Punakaiki	230	Yes	Yes
Reefton	951	Yes**	Yes
Waimangaroa	300	No *	No
Westport	4,617	Yes	Yes
Carters Beach	357	Yes	Yes

\* No treatment plant to enable compliance

\*\* E.Coli detection in supply

TABLE 3: WATER LEAKAGE

Water supply	Connections	Actual performance	Target	Method
South Granity Tank Supply (administered by Council)	23	2019/2020 : not measured (2018/2019: not measured).	30%	MNF
Hector/Ngakawau	176	2019/2020 : not measured (2018/2019: not measured).	30%	MNF
Inangahua Junction	33	2019/2020 : not measured (2018/2019: 32%)	30%	MNF
Little Wanganui	78	2019/2020 : not measured (2018/2019: not measured).	30%	MNF
Mokihinui	50	2019/2020 : not measured (2018/2019: not measured).	30%	MNF
Punakaiki	93	2019/2020 : not measured (2018/2019: 41%)	30%	MNF
Reefton	663	2019/2020 : not measured (2018/2019: 39 %)	30%	MNF
Waimangaroa	137	2019/2020 : not measured (2018/2019: not measured).	30%	MNF
Westport	2,694	2019/2020 : not measured (2018/2019: 58%)	30%	MNF

**MNF** = Minimum Night Flow

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

## FORECAST FUNDING IMPACT STATEMENT - WATER SUPPLIES

Annual Plan 2021-2022 \$000	Long Term Plan 2022-2023 \$000	Annual Plan 2022-2023 \$000
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### Operating funding

#### Sources of Operating Funding

General rates, Uniform Annual General Charge, Rates penalties	0	0	0
Targeted rates	3,137	3,279	3,675
Subsidies and grants for operating purposes	0	0	0
Fees and charges	232	235	235
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	0	0	0

<b>Total Operating Funding</b>	<b>A</b>	<b>3,369</b>	<b>3,514</b>	<b>3,910</b>
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#### Applications of Operating Funding

Payments to Suppliers and staff	1,429	1,404	1,481
Finance Costs	353	350	551
Internal charges and overheads applied	489	526	552
Other operating funding applications	0	0	0

<b>Total Applications of Operating Funding</b>	<b>B</b>	<b>2,271</b>	<b>2,280</b>	<b>2,584</b>
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<b>Surplus/ (deficit) of Operating Funding</b>	<b>A-B</b>	<b>1,098</b>	<b>1,234</b>	<b>1,326</b>
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### Capital funding

#### Sources of Capital Funding

Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	(108)	(177)	2,010
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
Other Dedicated Capital Funding	0	0	0

<b>Total Sources of Capital Funding</b>	<b>C</b>	<b>(108)</b>	<b>(177)</b>	<b>2,010</b>
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#### Capital expenditure

- to meet additional demand	0	0	0
- to improve the level of service	275	370	849
- to replace existing assets	823	867	2,573
Increase/ (decrease) in reserves	(108)	(180)	(86)
Increase/ (decrease) in investments	0	0	0

<b>Total applications of Capital Funding</b>	<b>D</b>	<b>990</b>	<b>1,057</b>	<b>3,336</b>
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<b>Surplus/ (deficit) of Capital Funding</b>	<b>C-D</b>	<b>(1,098)</b>	<b>(1,234)</b>	<b>(1,326)</b>
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<b>Funding Balance</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
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# Wastewater / Sewerage

## Wai para and parapara

### WHAT WE DO

Council provides these activities to support the health and wellbeing of the community and the environment.

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

### ASSUMPTIONS

It has been assumed there will be no significant capacity change required for infrastructure to meet demands from industry or population growth. Any intensification subdivision will need appropriate wastewater controls.

Resource consent to discharge primary treated and untreated sewerage effluent to Buller Kawatiri River during storm overflow events will remain in effect until only 2023. Freshwater values and resource management legislation changes may impact the ability for future discharge consents to freshwater.

The Water Services Act has set in place Taumata Arowai as the new regulator for wastewater.

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

### COMMUNITY WASTEWATER AND SEWERAGE SYSTEMS

Council continues a routine sewer mains replacement programme throughout Westport, Carters Beach, Little Wanganui, and Reefton, as well as treatment plant upgrades as required.

Sewer modelling for Westport will inform aspects of stormwater and wastewater separation. This will continue to address the level of stormwater infiltration into the network and allow for planning to reduce the amount of stormwater entering it, therefore improving capacity across the network.

Further camera surveys and water blasting of earthenware mains throughout Reefton to undertake maintenance assessments and remove debris from pipes is planned. There will be a continued focus on ensuring network integrity where sewerage pipes and drinking supply are co-located within close proximity.

### SIGNIFICANT NEGATIVE EFFECTS

There is a potential for the discharge of effluent from these sewer systems to result in significant negative effects for public health and the environment. However, effluent discharges are subject to a resource consent process and the effects of each discharge are identified. Where risks exist, there are conditions placed on that discharge to manage the potential effects.

The primary purpose of the sewer system is to reduce the negative effects from wastewater discharges that would otherwise arise from the individual communities.

### LINKS TO COMMUNITY OUTCOMES

This activity supports the following community outcomes:

#### Well-being

- Provision of a sanitary wastewater collection and treatment service.

#### Sustainable environment

- Protection of the environment through the treatment of wastewater.

#### Learning

- Provision of water conservation programmes.

#### Prosperity

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

### SIGNIFICANT PROJECTS

As the resource consent to discharge untreated water into the Buller Kawatiri River is due to end, Council requires \$2.24 million to prepare the wastewater and sewerage pump station infrastructure to enable this activity to continue and the resource consents and affected party approvals to be gained.

### CHANGES IN LEVEL OF SERVICE

- Westport upgrade to the pump station upgrade \$2.24m.

### SIGNIFICANT CAPITAL EXPENDITURE

#### Mains and plant renewals:

- Westport (\$2,830,000)
- Reefton (\$226,000)
- Little Wanganui (\$8,000)

## FUNDING ALLOCATIONS

Activity	Funding mechanism	
	Operating	Capital
Westport sewerage	Targeted rate	<ul style="list-style-type: none"> <li>Loans</li> <li>Depreciation reserves</li> <li>Investments</li> </ul>
Reefton sewerage	Targeted rate	<ul style="list-style-type: none"> <li>Loans</li> <li>Depreciation reserves</li> <li>Investments</li> </ul>
Little Wanganui sewerage	Targeted rate	<ul style="list-style-type: none"> <li>Loans</li> <li>Depreciation reserves</li> <li>Investments</li> </ul>

## TARGETED RATES

(GST exclusive)

Sewerage	2022-2023 Annual Plan
Westport	\$1,103
Reefton	\$817
Little Wanganui	\$886

## SIGNIFICANT VARIANCES

## Annual Plan vs Long Term Plan

## Targeted rates

- The increase in targeted rates compared to the Long Term Plan is mainly due to the increase in interest and inflation rates applicable to this activity.

## Increase/(decrease) in debt

- Loans for Westport pump station No. 5 upgrade and resource consent renewals \$2.24 million.

## Capital expenditure

## - to improve the level of service

- Westport pump station upgrade and resource consent renewals not in the Long Term Plan.



## KEY PERFORMANCE INDICATORS

Activity	Community Outcome	Activity contribution	Level of service	Performance measures 2021-2024	Performance measures 2025-2031
Provide adequate wastewater and sewerage systems	<ul style="list-style-type: none"> <li>Social</li> <li>Affordability</li> <li>Prosperity</li> <li>Environment</li> </ul>	Wastewater and sewerage systems contribute to maintaining public health.	Wastewater and sewerage systems provide adequate capacity in relation to dry weather overflows.	≥ less than five sewerage overflows per 1,000 connections.	≥ less than five sewerage overflows per 1,000 connections.
Wastewater and sewerage discharge compliance	<ul style="list-style-type: none"> <li>Social</li> <li>Affordability</li> <li>Prosperity</li> <li>Environment</li> </ul>	Provision of wastewater and sewerage collection and disposal systems that contribute to ensuring minimal environmental impact.	Wastewater and sewerage systems are managed within resource consent parameters, with less than five abatement notices and no infringement notices, enforcement orders and convictions in relations to those resource consents.	≥ less than five abatement notices. ≥ 0 infringement notices. ≥ 0 enforcement orders. ≥ No convictions received.	≥ less than five abatement notices. ≥ 0 infringement notices. ≥ 0 enforcement orders. ≥ No convictions received.
Provide reliable wastewater and sewerage systems – fault response time	<ul style="list-style-type: none"> <li>Social</li> <li>Affordability</li> <li>Prosperity</li> <li>Environment</li> </ul>	Fault response provides a reliable wastewater and sewerage collection and disposal systems	Response to network overflows resulting from a blockage or other fault in the system.	≥ Attendance time: from the time Council receives notification to the time that service personnel reach the site is to be two hours at the most. ≥ Resolution time: from the time Council receives notification to the time that service personnel confirm resolution of the blockage or other fault is to be one working day at the most.	≥ Attendance time: from the time Council receives notification to the time that service personnel reach the site is to be two hours at the most. ≥ Resolution time: from the time Council receives notification to the time that service personnel confirm resolution of the blockage or other fault is to be one working day at the most.
Provide acceptable wastewater and sewerage systems – customer satisfaction	<ul style="list-style-type: none"> <li>Social</li> <li>Affordability</li> <li>Prosperity</li> <li>Environment</li> </ul>	An acceptable wastewater and sewerage collection and disposal systems is maintained.	Stated performance delivery of the system does not exceed the total complaints received target on the following aspects of the sewerage and wastewater system: <ul style="list-style-type: none"> <li>Odour</li> <li>System faults</li> <li>System blockages</li> </ul>		
				≥ less than five complaints per 1,000 connections for each of these measures.	≥ less than five complaints per 1,000 connections for each of these measures.

## FORECAST FUNDING IMPACT STATEMENT - WASTEWATER / SEWERAGE

Annual Plan 2021-2022 \$000	Long Term Plan 2022-2023 \$000	Annual Plan 2022-2023 \$000
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### Operating funding

#### Sources of operating funding

General rates, Uniform Annual General Charge, Rates penalties	0	0	0
Targeted rates	2,717	2,753	2,911
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	5	6	6

<b>Total Operating Funding</b>	<b>A</b>	<b>2,722</b>	<b>2,759</b>	<b>2,917</b>
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#### Applications of Operating Funding

Payments to Suppliers and staff	1,107	1,264	1,304
Finance Costs	84	73	99
Internal charges and overheads applied	381	414	401
Other operating funding applications	0	0	0

<b>Total Applications of Operating Funding</b>	<b>B</b>	<b>1,572</b>	<b>1,751</b>	<b>1,804</b>
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<b>Surplus/ (deficit) of Operating Funding</b>	<b>A-B</b>	<b>1,150</b>	<b>1,008</b>	<b>1,113</b>
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### Capital funding

#### Sources of capital funding

Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	(393)	(403)	1,848
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
Other Dedicated Capital Funding	0	0	0

<b>Total Sources of Capital Funding</b>	<b>C</b>	<b>(393)</b>	<b>(403)</b>	<b>1,848</b>
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#### Capital expenditure

- to meet additional demand	0	0	0
- to improve the level of service	0	153	2,406
- to replace existing assets	932	762	823
Increase/ (decrease) in reserves	(175)	(310)	(268)
Increase/ (decrease) in investments	0	0	0

<b>Total applications of Capital Funding</b>	<b>D</b>	<b>757</b>	<b>605</b>	<b>2,961</b>
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<b>Surplus/ (deficit) of Capital Funding</b>	<b>C-D</b>	<b>(1,150)</b>	<b>(1,008)</b>	<b>(1,113)</b>
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<b>Funding Balance</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
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# Stormwater Wai pupuhi

## WHAT WE DO

Stormwater management systems are a set of procedures and physical assets designed to manage the need to dispose of surface water from rainfall.

Council manages open drain stormwater systems in Hector, Ngakawau, Seddonville, Waimangaroa, Westport and Reefton. In addition, there is a piped stormwater system in Westport.

Sections of the Westport piped sewerage system and all of the Reefton piped sewer system also convey stormwater.

In Punakaiki, the only public stormwater drain is maintained by Waka Kotahi/NZTA as part of their roading network. There are also some at Mokihinui. In Little Wanganui, there are no formal stormwater systems, and all stormwater simply soaks into the ground naturally.

## WHY WE DO THIS ACTIVITY

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

## ASSUMPTIONS

It has been assumed that there will be negligible population growth in urban areas requiring stormwater reticulation. Any further significant subdivisions will need to address stormwater disposal through the development.

Freshwater legislation for stormwater will be coming into effect and will directly affect the ability to retain current discharge resource consents.

Several recent Westport flood events have shown that the stormwater is expected to need a significant upgrade and increased level of service around flood mitigation works.

## NEGATIVE EFFECTS

Storm and rain events of a severity which exceed design capability may result in short term negative effects such as localised flooding.

There is a potential danger posed by open drains.

Impacts on freshwater values from stormwater discharge.

## LINKS TO COMMUNITY OUTCOMES

The most significant outcome supported by the provision of stormwater systems is a healthy community. Uncontrolled stormwater runoff can be destructive and represent an immediate threat to life.

Stormwater systems promote prosperous and sustainable communities, through the minimisation of stormwater damage and the protection of the environment.

### Well-being

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

The provision of stormwater systems reduces the risk of death or injury resulting from flooding on private property.

## SIGNIFICANT CAPITAL EXPENDITURE

- Main renewals.
- Assessment and investigations.
- Increased level of service on flood mitigation works.

## SIGNIFICANT PROJECTS

- Stormwater investigations and modelling is being undertaken to establish the future needs of the Westport stormwater system to effectively deal with flood events.

## FUNDING ALLOCATIONS

Stormwater is funded from general rates as this activity is not seen as benefiting a particular individual or group of individuals but the community as a whole.

Activity	Funding mechanism		
	General rate	Fees	Capital spend
Stormwater	100%	-	■ Loans

## LEVELS OF SERVICE

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

- To ensure that all stormwater systems have sufficient capacity to meet the reasonable needs of the consumers.
- To ensure that stormwater within urbanised areas does not contribute to cross boundary flooding for events up to 10% AEP; Annual Exceedance Probability (1 in 10 year event).
- To ensure that stormwater within urbanised areas does not enter dwellings for events up to 2% AEP\* (1 in 50 year event).
- To ensure that secondary flow paths are identified for events exceeding the capacity of the primary systems.
- To ensure that stormwater systems are maintained at or beyond the minimum capacity required.
- To ensure that stormwater systems are managed in a cost effective manner.
- To ensure that stormwater discharges are managed in an environmentally sensitive manner.

Historically, all existing stormwater systems were simply maintained to their original design capacity. Additionally, when all of the following conditions exist, the actual capacity of the existing stormwater systems need not be calculated if:

- The system has operated for more than 30-years without significant flooding\*.
- The system has operated for more than 30-years without significant damage.
- The system has operated for more than 30-years to the satisfaction of the community\*.
- Site specific investigations are undertaken when the existing capacity is not considered acceptable to the individual or community. Any upgrade options are considered based on risk and benefit/cost considerations.
- Modelling to confirm +/-.

\*However recent severe weather events have served to highlight that this framework is not sufficient after stormwater and wastewater.

## SIGNIFICANT VARIANCES

### Annual Plan vs Long Term Plan

- There are no significant variances to the Long Term Plan in this activity.

## KEY PERFORMANCE INDICATORS

Activity	Community Outcome	Activity contribution	Level of service	Performance measures 2021-2024	Performance measures 2025-2031
Provide adequate stormwater drainage capacity	<ul style="list-style-type: none"> <li>Social</li> <li>Affordability</li> <li>Prosperity</li> <li>Environment</li> </ul>	Stormwater systems contribute to maintaining public safety	The number of flooding events in the stormwater systems are managed to an target level of service set in the performance measure	≥ No target has been set for the number of flooding events as it is deemed that flooding events are outside of Council control ≥ For each flooding event, the number of habitable floors affected (expressed per 1,000 properties connected Councils stormwater system) is not more than five houses flooded for each event	≥ No target has been set for the number of flooding events as it is deemed that flooding events are outside of Council control ≥ For each flooding event, the number of habitable floors affected (expressed per 1,000 properties connected Councils stormwater system) is not more than five houses flooded for each event
Stormwater environmental discharge compliance	<ul style="list-style-type: none"> <li>Social</li> <li>Affordability</li> <li>Prosperity</li> <li>Environment</li> </ul>	Provision of stormwater collection and disposal systems that contribute to ensuring minimal environmental impact through its discharge.	Stormwater systems are managed within resource consent parameters, with no abatement notices, infringement notices, enforcement orders, or convictions in relations to those resource consents.	≥ 0 abatement notices. ≥ 0 infringement notices. ≥ 0 enforcement orders. ≥ No convictions received.	≥ 0 abatement notices. ≥ 0 infringement notices. ≥ 0 enforcement orders. ≥ No convictions received.
Provide reliable storm water systems – fault response time	<ul style="list-style-type: none"> <li>Social</li> <li>Affordability</li> <li>Prosperity</li> <li>Environment</li> </ul>	Fault response provides a reliable stormwater collection and disposal systems.	Response to flooding overflows resulting from a blockage or other fault in the system.	≥ The median response time to attend a flooding event, measured from the time that Council receives notification to the time that service personnel reach the site is to be one hour at the most.	≥ The median response time to attend a flooding event, measured from the time that Council receives notification to the time that service personnel reach the site is to be one hour at the most.
Provide acceptable stormwater systems – customer satisfaction	<ul style="list-style-type: none"> <li>Social</li> <li>Affordability</li> <li>Prosperity</li> <li>Environment</li> </ul>	An acceptable stormwater system is maintained for communities.	Stated performance delivery of the system does not exceed the total complaints received about the performance of the stormwater system.	≥ Less than 10 complaints per 1,000 connections.	≥ Less than 10 complaints per 1,000 connections.

## FORECAST FUNDING IMPACT STATEMENT - STORMWATER

Annual Plan  
2021-2022  
\$000

Long Term Plan  
2022-2023  
\$000

Annual Plan  
2022-2023  
\$000

### Operating funding

#### Sources of Operating Funding

General rates, Uniform Annual General Charge, Rates penalties	612	769	808
Targeted rates	0	0	0
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	5	5	5

<b>Total Operating Funding</b>	<b>A</b>	<b>617</b>	<b>774</b>	<b>813</b>
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#### Applications of Operating Funding

Payments to Suppliers and staff	190	184	209
Finance Costs	10	9	8
Internal charges and overheads applied	175	175	180
Other operating funding applications	0	0	0

<b>Total Applications of Operating Funding</b>	<b>B</b>	<b>375</b>	<b>368</b>	<b>397</b>
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<b>Surplus/ (deficit) of Operating Funding</b>	<b>A-B</b>	<b>242</b>	<b>406</b>	<b>416</b>
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### Capital funding

#### Sources of Capital Funding

Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	(42)	(43)	(36)
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
Other Dedicated Capital Funding	0	0	0

<b>Total Sources of Capital Funding</b>	<b>C</b>	<b>(42)</b>	<b>(43)</b>	<b>(36)</b>
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#### Capital Expenditure

- to meet additional demand	0	0	0
- to improve the level of service	5	158	165
- to replace existing assets	195	205	215
Increase/ (decrease) in reserves	0	0	0
Increase/ (decrease) in investments	0	0	0

<b>Total applications of Capital Funding</b>	<b>D</b>	<b>200</b>	<b>363</b>	<b>380</b>
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<b>Surplus/ (deficit) of Capital Funding</b>	<b>C-D</b>	<b>(242)</b>	<b>(406)</b>	<b>(416)</b>
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<b>Funding Balance</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
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# Solid Waste

## WHAT WE DO

The solid waste activity provides for the collection, transfer and final disposal of waste materials generated by households and businesses within the district.

Council provides solid waste collection and recycling services through an environmentally sustainable contractor.

Council entered into a 10-year contract to provide this service from 1 February 2014. This includes the collection and disposal of residual refuse, the collection, sorting and commercialisation of recycling, the management of the transfer stations and the transportation of residual waste to a landfill. The bag, wheelie bin and crate system are a more environmentally sustainable waste system for Zone 1 residents who benefit from many recycling materials being accepted as part of the kerbside collection service.

Council also operates two active landfills at Karamea and Maruia. The Maruia Resource Consent has been in progress of renewal.

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

Council also has a role in facilitating waste minimisation behaviours within communities. This is put into effect by providing resources for education programmes into schools about sustainability and waste minimisation. Support is also provided to businesses to develop more sustainable practices.

## WHY WE DO IT

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

## ASSUMPTIONS

That the service contractor will continue to provide the level of service that they tendered for in accordance with the contract provisions.

Solid waste legislation is likely to present significant changes in the short and medium term.

The recycling market has reported changes in the materials that can be recycled inside the country.

Consumer patterns of consumption and product packaging will remain at the current levels, therefore similar amounts of waste and recycling will be produced by the district and appropriate ways of managing this waste and recycling stream need to be found.

Inability for certain recycling streams to have a financial value due to the impact of Policy will remain.

The Government Landfill Waste Levy has come in place as of 1 July 2021 and is gradually increasing the waste management costs for material sent to landfill. Refuse disposal costs will increase due to the waste levy and emission trading scheme costs increasing.

## NEGATIVE EFFECTS

Refuse is trucked to Nelson from Westport and Reefton. This adds to both road usage and vehicle pollution. All loads are fully secured and covered to minimise the opportunity for spillage. Road usage will be independently managed by the contractor.

Recycling in Buller has a 32% contamination rate when collected at kerbside. This means around 100MT per year of the material deposited in the recycling bins is landfilled, which directly increases the refuse disposal cost for the district. Council is undertaking audits with the objective to educate and undertake compliance on recycling contamination.

Contaminants from closed landfills leaching into surrounding land and/or water posing a threat to the environment and general well-being of the public. This risk is minimised by compliance with resource consents and the monitoring of waterways in the vicinity of landfills.

## LINKS TO COMMUNITY OUTCOMES

This activity supports the following community outcomes.

### Well-being

- The district has a means of safely disposing of its refuse.

### Environment

- Refuse is collected and disposed of in a safe, efficient, and sustainable manner.
- The solid waste disposal minimises risk of waste being inappropriately or dangerously disposed of.
- By providing safe collection and disposal of refuse by encouraging waste minimisation.

### Learning

- Provide programmes to schools and the community on waste care and reduction.
- Continued public education around composting, food waste reduction strategies and recycling opportunities.

### Prosperity

- By meeting commercial needs for dealing with waste.

## CHANGES IN LEVEL OF SERVICE PROVIDED

■

There are no changes in the level of service provided.

## SIGNIFICANT ISSUES AND THEIR IMPACT

- Additional landfill levy costs from Central Government.
- Renewal of Maruia landfill resource consent increase to operating expenditure (\$31,221).
- Buller is leading a collaborative cross West Coast Councils look at management options in the region for construction and demolition waste. This project has gained Ministry for the Environment financial support.

## SIGNIFICANT CAPITAL EXPENDITURE

- Refuse transfer stations build infrastructure improvements (\$142,500).

## FUNDING ALLOCATIONS

Funding allocations are as per the Revenue and Finance Policy.

Activity	Funding mechanism			
	General rate	Targeted rate	Fees & charges	Capital spend
Westport	-	80-95%	2-20%	<ul style="list-style-type: none"> <li>■ Loans</li> <li>■ Depreciation reserves</li> <li>■ Investments</li> </ul>
Karamea	-	60-75%	25-40%	
Maruia	-	80-95%	5-20%	
Landfill operations	100%	-	-	

## CHANGES IN FEES AND CHARGES

Fees and charges for Zone 1 are set by the contractor.

## TARGETED RATES (ROUNDED)

(GST exclusive)

Solid Waste	2022-2023 Annual Plan
Zone 1	\$158
Maruia	\$302
Karamea	\$138

## SIGNIFICANT VARIANCE EXPLANATIONS

### Annual Plan vs Long Term Plan

#### Targeted rates

- The increase in Targeted rates is due to the increase in the cost of recycling and waste disposal and resource consent renewal, which was not predicted in the Long Term Plan.

#### Payments to suppliers and staff

- Due to an Increase in the cost of recycling and waste disposal which was not predicted in the Long Term Plan.

#### Capital expenditure

##### - to replace existing assets

- additional recycling infrastructure planned for Punakaiki area due to the increase in tourist volume.



## FORECAST FUNDING IMPACT STATEMENT - SOLID WASTE

Annual Plan 2021-2022 \$000	Long Term Plan 2022-2023 \$000	Annual Plan 2022-2023 \$000
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### Operating funding

#### Sources of Operating Funding

General rates, Uniform Annual General Charge, Rates penalties	350	520	502
Targeted rates	739	763	796
Subsidies and grants for operating purposes	44	45	57
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	99	101	101

<b>Total Operating Funding</b>	<b>A</b>	<b>1,232</b>	<b>1,429</b>	<b>1,456</b>
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#### Applications of Operating Funding

Payments to Suppliers and staff	940	1,122	1,093
Finance Costs	24	13	28
Internal charges and overheads applied	184	206	219
Other operating funding applications	0	0	0

<b>Total Applications of Operating Funding</b>	<b>B</b>	<b>1,148</b>	<b>1,341</b>	<b>1,340</b>
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<b>Surplus/ (deficit) of Operating Funding</b>	<b>A-B</b>	<b>84</b>	<b>88</b>	<b>116</b>
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### Capital funding

#### Sources of Capital Funding

Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	(39)	(25)	(22)
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
Other Dedicated Capital Funding	0	0	0

<b>Total Sources of Capital Funding</b>	<b>C</b>	<b>(39)</b>	<b>(25)</b>	<b>(22)</b>
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#### Capital Expenditure

- to meet additional demand	0	0	0
- to improve the level of service	90	214	214
- to replace existing assets	80	10	10
Increase/ (decrease) in reserves	(125)	(161)	(130)
Increase/ (decrease) in investments	0	0	0

<b>Total applications of Capital Funding</b>	<b>D</b>	<b>45</b>	<b>63</b>	<b>94</b>
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<b>Surplus/ (deficit) of Capital Funding</b>	<b>C-D</b>	<b>(84)</b>	<b>(88)</b>	<b>(116)</b>
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<b>Funding Balance</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
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# Professional Services Business Unit

## WHAT WE DO

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

This includes the preparation of contracts for roading, water, wastewater, solid waste and property, amenities and reserves. The PSBU monitors the performance of contractors and issue instructions for work found necessary because of requests for service and comments from ratepayers.

## WHY WE DO IT

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

## ASSUMPTIONS

Staffing and engineering requirements remain at present level.

## NEGATIVE EFFECTS

There are no negative effects

## LINKS TO COMMUNITY OUTCOMES

**This activity supports the following community outcomes:**

### Well-being

- By monitoring the conditions of Council assets and issuing requests for maintenance in time.

### Sustainable Environment

- By monitoring landfills and wastewater treatment plants.

### Prosperity

- By requesting necessary maintenance in time.

## CHANGES IN LEVEL OF SERVICE PROVIDED

No anticipated changes in level of service.

## SIGNIFICANT ISSUES AND THEIR IMPACT

No significant issues

## SIGNIFICANT CAPITAL EXPENDITURE

- There is no capital expenditure planned for 2022-2023.

## FUNDING ALLOCATIONS

Funding allocations are as per the Revenue and Finance Policy.

Activity	Funding mechanism		
	Internal allocation	Fees	Capital spend
Professional Services	100%	Nil	Loans Depreciation reserves Investments

## SIGNIFICANT VARIANCES

Annual Plan vs Long Term Plan

### Internal charges and overheads recovered

- The variance is related to movements in the costs explained below.

### Payments to suppliers and staff

- There is an increase in budgeted salary costs compared to the Long Term Plan.

## KEY PERFORMANCE INDICATORS

Activity	Community Outcome	Activity contribution	Level of service	Performance measures 2021-2024	Performance measures 2025-2031
<b>Provide engineering advice to Council and administer contracts</b>	<ul style="list-style-type: none"> <li>■ Social</li> <li>■ Affordability</li> <li>■ Prosperity</li> <li>■ Environment</li> </ul>	Roads, transport, solid waste, and three water service delivery is effectively managed.	Provide engineering services to support the maintenance and development of Council infrastructure.	≥ Quarterly programme reports provided to the Chief Executive Officer.	≥ Quarterly programme reports provided to the Chief Executive Officer.

## FORECAST FUNDING IMPACT STATEMENT - PROFESSIONAL SERVICES BUSINESS UNIT

Annual Plan  
2021-2022  
\$000

Long Term Plan  
2022-2023  
\$000

Annual Plan  
2022-2023  
\$000

### Operating funding

#### Sources of operating funding

General rates, Uniform Annual General Charge, Rates penalties	0	0	0
Targeted rates	0	0	0
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	0
Internal charges and overheads recovered	1,022	1,085	1,608
Local authorities fuel tax, fines, infringements fees and other receipts	0	0	0

<b>Total Operating Funding</b>	<b>A</b>	<b>1,022</b>	<b>1,085</b>	<b>1,608</b>
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#### Applications of operating funding

Payments to Suppliers and staff	749	788	1,113
Finance Costs	0	0	0
Internal charges and overheads applied	202	223	472
Other operating funding applications	0	0	0

<b>Total Applications of Operating Funding</b>	<b>B</b>	<b>951</b>	<b>1,011</b>	<b>1,585</b>
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<b>Surplus/ (deficit) of Operating Funding</b>	<b>A-B</b>	<b>71</b>	<b>74</b>	<b>23</b>
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### Capital funding

#### Sources of Capital Funding

Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	0	0	0
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
Other Dedicated Capital Funding	0	0	0

<b>Total Sources of Capital Funding</b>	<b>C</b>	<b>0</b>	<b>0</b>	<b>0</b>
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#### Capital Expenditure

- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	35	36	1
Increase/ (decrease) in reserves	36	38	22
Increase/ (decrease) in investments	0	0	0

<b>Total applications of Capital Funding</b>	<b>D</b>	<b>71</b>	<b>74</b>	<b>23</b>
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<b>Surplus/ (deficit) of Capital Funding</b>	<b>C-D</b>	<b>(71)</b>	<b>(74)</b>	<b>(23)</b>
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<b>Funding Balance</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
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# Community Services

## WHAT WE DO

### Activities and services delivered:

- Funding – community grants, museum support, community-led revitalisation projects, arts funding, facilities hire, rural travel fund
- Libraries
- NBS Theatre
- Reefton Cinema
- Communications – website, Connect newsletter, news releases, social media, advertising.
- Customer services – over the counter and by phone and email through offices in Westport and Reefton
- Economic development
- Community engagement and consultation

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

### Funding

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

Council continues to work with Te Ara Pounamu Limited with regard to the Pounamu Pathway Project. Council has signalled that funding for Coaltown Museum will cease in year 3 of the Long Term Plan. There is no change proposed to the funding for Coaltown in the Draft Annual Plan.

### Libraries

Library services operate in Reefton and Westport.

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

### NBS Theatre

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

### Reefton Cinema

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

### Communications

Council's communications are both proactive and reactive. By actively releasing information of public interest the Council aims to keep its community well informed.

At the time of writing this plan, a quarterly newsletter is delivered to all letterboxes in the district, it is also available over the counter at multiple outlets, and is sent in digital format to subscribers. Council is actively looking at increasing the use of the digital format while finding ways to ensure the newsletter reaches those who do not use digital platforms.

Social media is used to target certain audiences, and the website is regularly updated. Council will continue to add more videos on its Youtube channel.

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

### Customer services

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

Responses to service requests are increasingly becoming stream-lined with response time targets being met. Council will further promote use of the service request system with customers and is looking at ways to make it more user-friendly and increase its functionality.

### Economic development

To guide Council's direction with economic development strategic plans are created, implemented, revised, and assessed.

As projects come to fruition new plans are created to respond to the changing environment. As a result, the district has led the national GDP rate post-Covid-19.

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

### Community engagement and consultation

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

Opportunities to do so will be promoted and implemented during the consultation phase of Council's Annual Plan and Long Term Plan processes, and as policies and bylaws which may have significant impact are reviewed and changes drafted.

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

## LINKS TO COMMUNITY OUTCOMES

All the services provided by Community Services support all the Community Outcomes and all the well-being indicators as determined by central government.

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

Culture – libraries assist with the development of lifelong learning and literacy. Theatres provide performance space for artistic and cultural performances all of which facilitate social and cultural connections.

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

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

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

### Changes in levels of service

#### Reefton Service Centre

The intention to merge the Reefton Service Centre and Visitors Centre is continuing and this ongoing project will continue over the year of the Annual Plan. The merger will commence in quarter 3 and 4.

#### Reefton Community Centre Gym

Use of the gym at the Reefton Community Centre has significantly declined over the years. In 2019 the gym was temporarily closed while a complaint that it did not meet appropriate standards for an unsupervised exercise facility was investigated. Significant investment would be required to raise the facility to an acceptable standard, and this is not practical given the current level of use. It was proposed in the 2021-2031 Long Term Plan that the gym remain closed throughout the life of the Plan.

At the time of writing this plan a community group has taken over the running of a gym in Reefton. It is intended that Council retain ownership of the equipment it currently owns, so that in future if there is no longer a gym operating in Reefton Council can revisit this decision.

#### Community Grants

In preparing the Draft Annual Plan Council chose to offset rates increases caused by increasing interest by reducing the funding available for community grants. Contestable grants were reduced by 50% and tourism and museum support grants by 25% compared to the same year in the 2021-2031 Long Term Plan, excluding Coal Town Museum and Reefton Visitor Centre grants as these are part of current change proposals that lock Council into the current level of funding. Council considers this does not result in a change in level of service as community grants are continued to be provided to the community.

## ASSUMPTIONS

That the funding Council administers on behalf of other organisations will remain at the same level.

## NEGATIVE EFFECTS

Expectations from community for continued funding and support.

## SIGNIFICANT CAPITAL EXPENDITURE

- \$44,000 to upgrade Council's website, including the ability to make payments online
- \$102,000 at the NBS Theatre to install a new HVAC system

## SIGNIFICANT VARIANCES

### Annual Plan vs Long Term Plan

#### General rates, uniform annual general charge, rates penalties

- The increase of \$152,000 relates to increases in finance costs offset by savings in other operating funding applications.

#### Finance costs

- Interest rates have increased since the Long Term Plan.

#### Other operating funding applications

- Contestable grants have been reduced by 50%, and tourism and museum support grants, excluding Coal Town Museum and Reefton Visitor Centre grants by 25% compared to the same year in the 2021-2031 Long Term Plan.

## FUNDING ALLOCATIONS

Activity	Funding mechanism			
	General rate	Fees	Grants	Capital spend
Economic development and marketing	100%	-	-	<ul style="list-style-type: none"> <li>■ Depreciation reserves</li> <li>■ Loans</li> </ul>
Libraries	67-98%	2-33%	-	<ul style="list-style-type: none"> <li>■ Investments</li> <li>■ Depreciation reserves</li> <li>■ Loans</li> <li>■ Grants</li> </ul>
Museums	100%	-	-	<ul style="list-style-type: none"> <li>■ Depreciation reserves</li> <li>■ Loans</li> </ul>
Theatre	60-75%	25-40%	-	<ul style="list-style-type: none"> <li>■ Investments</li> <li>■ Depreciation reserves</li> <li>■ Loans</li> <li>■ Grants</li> </ul>
Recreation facilities	100%	-	-	<ul style="list-style-type: none"> <li>■ Investments</li> <li>■ Depreciation reserves</li> <li>■ Loans</li> </ul>
Reefton Service Centre	100%	-	-	<ul style="list-style-type: none"> <li>■ Depreciation reserves</li> </ul>
Reefton Post Office	20-30%	70-80%	-	<ul style="list-style-type: none"> <li>■ Depreciation reserves</li> </ul>
Community development and support	85-100%	-	0-15%	<ul style="list-style-type: none"> <li>■ No capital spend</li> </ul>

## KEY PERFORMANCE INDICATORS

Activity	Community Outcome	Activity contribution	Level of service	Performance measures 2021-2024	Performance measures 2025-2031
<b>Provide information about Council services, decisions, and opportunities to engage.</b>	<ul style="list-style-type: none"> <li>Social</li> <li>Prosperity</li> <li>Culture</li> <li>Environment</li> </ul>	<p>The community feels informed, included, and empowered to access Council services and resources.</p> <p>The provision of access to a wide range of information relevant to the community's needs.</p>	<p>Council's website and Facebook are kept up to date as a source of information about Council projects, services and resources.</p> <p>Quarterly newsletter is produced.</p> <p>Communications plans are created to support projects considered to be of significant interest.</p>	<p>A biennial customer satisfaction survey will be carried out, and will ask how satisfied the community is with the information they receive from Council and their opportunities to engage with Council.</p>	<p>A biennial customer satisfaction survey will be carried out, and will ask how satisfied the community is with the information they receive from Council and their opportunities to engage with Council.</p>
<b>Economic development</b>	<ul style="list-style-type: none"> <li>Social</li> <li>Prosperity</li> <li>Culture</li> <li>Environment</li> </ul>	<p>Networks and connections are facilitated to enable economic growth.</p> <p>Economic development plans are created and shared with the community and key stakeholders.</p>	<p>Staff actively build networks and connections across the community, with central government, regional partners and stakeholders.</p> <p>Community and/or economic development plans are shared via presentations to the community and/or industry groups.</p>	<p>Four community and/or economic development presentations are delivered within the community each year.</p>	<p>Four community and/or economic development presentations are delivered within the community each year.</p>
<b>Public library services</b>	<ul style="list-style-type: none"> <li>Social</li> <li>Prosperity</li> <li>Culture</li> <li>Environment</li> </ul>	<p>A safe and welcoming library environment contributes to a community that is vibrant and inclusive.</p> <p>The library offers quality facilities and services that meet our current and future needs.</p> <p>The provision of access to a wide range of information relevant to the community's recreation and learning needs.</p>	<p>The library is a safe social space which community member want to visit.</p> <p>The library team delivers a high level of service that meets our community's current and future needs.</p> <p>The library's collection reflects the community's learning and recreational interests.</p>	<p>Total visits to the libraries maintained or increased by 0 - 4% per annum.</p> <p>At least 80% respondents satisfied or very satisfied with the libraries' services, as measured through a biennial survey.</p> <p>At least 80% of library users satisfied or very satisfied with the public libraries' collection, as measured through a biennial survey.</p>	<p>Total visits to the libraries maintained or increased by 0 - 4% per annum.</p> <p>At least 80% respondents satisfied or very satisfied with the libraries' services, as measured through a biennial survey.</p> <p>At least 80% of library users satisfied or very satisfied with the public libraries' collection, as measured through a biennial survey.</p>
<b>NBS Theatre and Reefton Cinema</b>	<ul style="list-style-type: none"> <li>Social</li> <li>Prosperity</li> <li>Culture</li> <li>Environment</li> </ul>	<p>A vibrant, safe, and welcoming theatre/cinema environment contributes to a community that is vibrant and inclusive.</p> <p>Provide a wide range of shows, movies and events that meet the current cultural interest of our community.</p>	<p>The theatre team delivers a high level of service that meets our community's current and future needs.</p> <p>The theatres' variety of shows, hires, and films reflects our community's cultural interests.</p>	<p>Total visits to the theatre maintained or increased by 0-4% per annum.</p> <p>At least 80% of respondents satisfied or very satisfied with the theatres' services as measured by the biennial survey.</p> <p>A biennial survey will be carried out to establish customers' satisfaction in relation to services.</p>	<p>Total visits to the theatre maintained or increased by 0-4% per annum.</p> <p>At least 80% of respondents satisfied or very satisfied with the theatres' services as measured by the biennial survey.</p> <p>A biennial survey will be carried out to establish customers' satisfaction in relation to services.</p>

## FORECAST FUNDING IMPACT STATEMENT - COMMUNITY SERVICES

Annual Plan 2021-2022 \$000	Long Term Plan 2022-2023 \$000	Annual Plan 2022-2023 \$000
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### Operating funding

#### Sources of operating funding

General rates, Uniform Annual General Charge, Rates penalties	3,571	3,693	3,845
Targeted rates	0	0	0
Subsidies and grants for operating purposes	340	74	56
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	262	269	262

<b>Total operating funding</b>	<b>A</b>	<b>4,173</b>	<b>4,036</b>	<b>4,163</b>
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#### Applications of operating funding

Payments to Suppliers and staff	2,172	1,956	1,958
Finance Costs	454	452	767
Internal charges and overheads applied	725	786	752
Other operating funding applications	508	499	384

<b>Total Applications of Operating Funding</b>	<b>B</b>	<b>3,859</b>	<b>3,693</b>	<b>3,861</b>
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<b>Surplus/ (deficit) of Operating Funding</b>	<b>A-B</b>	<b>314</b>	<b>343</b>	<b>302</b>
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### Capital funding

#### Sources of Capital Funding

Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	(138)	(142)	(165)
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	35	36	35
Other Dedicated Capital Funding	0	0	0

<b>Total Sources of Capital Funding</b>	<b>C</b>	<b>(103)</b>	<b>(106)</b>	<b>(130)</b>
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#### Capital expenditure

- to meet additional demand	0	0	0
- to improve the level of service	35	44	44
- to replace existing assets	216	198	198
Increase/ (decrease) in reserves	(40)	(5)	(70)
Increase/ (decrease) in investments	0	0	0

<b>Total applications of Capital Funding</b>	<b>D</b>	<b>211</b>	<b>237</b>	<b>172</b>
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<b>Surplus/ (deficit) of Capital Funding</b>	<b>C-D</b>	<b>(314)</b>	<b>(343)</b>	<b>(302)</b>
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<b>Funding Balance</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
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# Governance, Representation

## WHAT WE DO

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

Council is made up of 11 elected members including 10 Councillors and one Mayor who are elected to serve a three-year term of office which coincides with the local authority elections. Two Councillors represent Inangahua Ward, two represent Seddon Ward and six represent Westport Ward. Currently there is a vacancy in the Seddon Ward, and one Councillor shall represent the community until the local body elections in October 2022.

The Mayor chairs Council. The Inangahua Community Board (ICB) comprises of four elected members plus two Inangahua Ward Councillors. Governance is supported by a Chief Executive Officer and staff.

Ngāti Waewae representation (via Ned Tauwhare) with voting rights at governance meetings with the exception of Council. This supports the governance and representation function of Council.

## WHY WE DO IT

The Local Government Act 2002 requires Council and elected members to lead and represent their community. This Act requires Council to meet current and future needs of community in terms of good quality infrastructure and services as well as provide quality regulatory functions, all in a cost effective way for both business and households. As well as this, Council is well placed to provide advocacy and leadership on other local matters that are outside those core functions.

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

### Council and the ICB provide:

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

## ASSUMPTIONS AND NEGATIVE EFFECTS

We have assumed there will be no significant legislation changes that may affect this activity. There are no negative effects.

Central government reforms in relation to Three Waters, Resource Management Act, freshwater, and local government is noted and Council will actively follow its progress.

The One District Plan collaboration and cost will be a major contributor for this Draft Annual Plan.

Local body elections will occur in October 2022. Council has signed up to VOTE22 which is a programme to encourage involvement in local body elections and encourage community members to stand for Council and the Community Board.

## SIGNIFICANT ISSUES AND THEIR IMPACT

Council has a major role as a facilitator and as an advocate for the district. It should provide reliable, affordable services and infrastructure that meet the community's needs, help develop attractive towns and a district that people will want to visit and reside in. This is important to provide the springboard

for economic growth and a transition to a diversified, resilient, and sustainable economy which is a key aspect of Council's strategy.

It is critical that Council continues to advocate strongly to central government on important issues.

### Key issues include:

- Preparedness for climate change and carbon reduction targets;
- Affordability of local infrastructure; and
- Better local provision of core government services.

Protecting communities from the effects of climate change is important given some of the recent weather events, therefore working closely with the West Coast Regional Council is high on Council's list of priorities for this Draft Annual Plan.

It is also important that Council considers affordability issues in our communities. Rates affordability is important however it is a fine balance between recognising the need for investment in key infrastructure e.g. roading and water and considering legislative reform which imposes greater monitoring and compliance costs.

## RATES REVIEW

As far back as the 2012-2022 Long Term Plan it was noted that a rating review was long overdue. The existing system had been heavily modified over time and evolved into a complex structure with more than 40 different categories of ratepayers all being rated on a unique basis. This gave rise to questions about equity and fairness. The long promised review was instigated by the newly elected Council in 2013. Considerable time was spent analysing the issues and considering the possibilities for change.

Council has undertaken three separate rounds of community consultation since this time. Most recently has engaged an external review of the rating information database, to continue with moving the rates review forward. There is no proposal to change the rating policy in this Draft Annual Plan.

Council remains committed to reviewing rates and has requested advice on the key changes required to the rating policy.



## LINKS TO COMMUNITY OUTCOMES

Governance and Representation activity covers all the community outcomes as it provides the oversight and strategy to achieve them.

## SIGNIFICANT CAPITAL EXPENDITURE

Nil

## FUNDING ALLOCATIONS

Activity	Funding mechanism		
	General rate	Fees	Capital spend
Democracy	100%	Recoveries from triennial elections	Nil

## SIGNIFICANT VARIANCES

There are no significant variances between this Draft Annual Plan and the 2021-2031 Long Term Plan.

Councillor Martin Hill resigned from Council in December 2021. In line with the Local Government Electoral Act Council determined to redistribute the funding from that vacant position to the remaining sitting members excluding the Mayor. This has no cost impact, however the Seddon Ward shall only have one representative until the new Council is sworn in.

## KEY PERFORMANCE INDICATORS

Activity	Community Outcome	Activity contribution	Level of service	Performance measures 2021-2024	Performance measures 2025-2031
<b>Governance and Representation</b>	<ul style="list-style-type: none"> <li>Social</li> <li>Affordability</li> <li>Prosperity</li> <li>Culture</li> <li>Environment</li> </ul>	Provide annual budgeting and financial planning processes.	Community engagement occurs across the district with representatives from broad community groups.  Publishing annual plans, annual reports and long term plans so the community is well informed	a) Meet statutory deadlines for Councils LTP, AP before 30th June in each respective year  b) Meet statutory obligations for requests for information under LGOIMA, greater than or equal to 90% of the time.  c)	a) Meet statutory deadlines for Councils LTP, AP before 30th June in each respective year  b) Meet statutory obligations for requests for information under LGOIMA, greater than or equal to 90% of the time.  c)
<b>Governance and Representation</b>	<ul style="list-style-type: none"> <li>Social</li> <li>Affordability</li> <li>Prosperity</li> <li>Culture</li> <li>Environment</li> </ul>	To maintain transparency, accountability and accessibility to the public.	Conduct as much as Council business in public forum. Public to be excluded only for commercially sensitive reasons.	Council meetings to be held in Westport and at least one meeting a year in Karama and Reefton.  To meet legislative requirements for Strategic planning workshops held	Council meetings to be held in Westport and at least one meeting a year in Karama and Reefton.  To meet legislative requirements for Strategic planning workshops held
<b>Governance and Representation</b>	<ul style="list-style-type: none"> <li>Social</li> <li>Affordability</li> <li>Prosperity</li> <li>Culture</li> <li>Environment</li> </ul>	Advocating for Buller District, forming strong alliances and partnership opportunities.	Participate in the mayors, chairs and CEO meetings with the other West Coast Councils.	Continue to attend 100% of mayors, chairs and CEO meetings.  To meet legislative requirements for Strategic planning workshops held with Councilors	Continue to attend 100% of mayors, chairs and CEO meetings.  To meet legislative requirements for Strategic planning workshops held with Councilors

Governance and Representation

## FORECAST FUNDING IMPACT STATEMENT - GOVERNANCE, REPRESENTATION

Annual Plan 2021-2022 \$000	Long Term Plan 2022-2023 \$000	Annual Plan 2022-2023 \$000
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### Operating funding

#### Sources of Operating Funding

General rates, Uniform Annual General Charge, Rates penalties	1,621	1,680	1,712
Targeted rates (other than a targeted rate for water supply)	0	0	0
Subsidies and grants for operating purposes	0	0	0
Fees, charges and targeted rates for water supply	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	0	39	34
<b>Total operating funding</b>	<b>A</b>	<b>1,621</b>	<b>1,719</b>

#### Applications of Operating Funding

Payments to Suppliers and staff	570	651	650
Finance Costs	0	0	0
Internal charges and overheads applied	1,051	1,068	1,096
Other operating funding applications	0	0	0
<b>Total Applications of Operating Funding</b>	<b>B</b>	<b>1,621</b>	<b>1,719</b>
<b>Surplus/ (deficit) of Operating Funding</b>	<b>A-B</b>	<b>0</b>	<b>0</b>

### Capital funding

#### Sources of Capital Funding

Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	0	0	0
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
Other Dedicated Capital Funding	0	0	0
<b>Total Sources of Capital Funding</b>	<b>C</b>	<b>0</b>	<b>0</b>

#### Capital Expenditure

- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	0	0	0
Increase/ (decrease) in reserves	0	0	0
Increase/ (decrease) in investments	0	0	0
<b>Total applications of Capital Funding</b>	<b>D</b>	<b>0</b>	<b>0</b>
<b>Surplus/ (deficit) of Capital Funding</b>	<b>C-D</b>	<b>0</b>	<b>0</b>
<b>Funding Balance</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>

# Customer Services and Support Services

## Ratonga kiritaki / ratonga tautoko

### WHAT WE DO

Council provides customer and support services through these activities:

- Customer service centres in Westport and Reefton.
- Corporate planning and support to governance.
- Financial and accounting operations.
- Production of Annual Plans, Long Term Plans, and Annual Reports.
- Rates operations and customer database management
- Information technology management.
- General administration.
- Health and safety compliance.
- Monitoring and compliance of all Council controlled organisations.
- Guidance and monitoring of Holding Company performance.
- Asset management.
- Management functions.
- Human Resources Management

### WHY WE DO IT

- These activities support the functioning of Council's service provision.
- Ensures the health, safety, and well-being of our workers under the Health and Safety Act 2015.

### ASSUMPTIONS

- The current Annual Plan and rating system is based on the current rates policy. There are no changes proposed to the rates system for this Draft Annual Plan.
- A new management information system is being introduced which will improve the level of service for our community.
- A new health and safety training and reporting system is being introduced which will improve the overall health and safety compliance.
- The intention to merge the Reefton Service Centre and Visitor's Centre is continuing and this ongoing project will continue over the year of the Annual Plan.
- Council will continue with the property rationalisation project which assesses under-utilised land and property owned by Council throughout the district and divesting it if there is no strategic value.

### NEGATIVE EFFECTS

■

### LINKS TO COMMUNITY OUTCOMES

All the services provided by Customer Services and Support Services sustain the community outcomes and all the well-being indicators as determined by central government. In particular this activity supports the following community outcomes:

#### Social

Customer Services and Support Services support our Community to connect using district facilities and services.

There are no negative effects.

### Affordability

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

### Prosperity

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

### FUNDING ALLOCATIONS

Activity	Funding mechanism		
	Internal allocation	Fees	Capital spend
Corporate Services	100%	-	<ul style="list-style-type: none"> <li>■ Investments</li> <li>■ Depreciation reserves</li> <li>■ loans</li> </ul>
Information Systems	100%	-	<ul style="list-style-type: none"> <li>■ Investments</li> <li>■ Depreciation reserves</li> <li>■ loans</li> </ul>

### SIGNIFICANT ISSUES AND THEIR IMPACT

- Council has committed to implementing a new information management system. This is to organise data and to ensure it is securely stored and can be retrieved in a an efficient and effective manner. As a New Zealand local authority, Buller District Council is responsible for the stewardship of information relevant to its district, and the new system will support statutory and regulatory obligations to retain and produce information. It will also assist with retrieval of records to inform decision making. Council will gradually implement the information management system improvements during this Draft Annual Plan.

### SIGNIFICANT VARIANCES

#### Annual Plan vs Long Term Plan

#### Internal charges and overheads recovered

- The variance of \$269,000 is due to additional recoveries in the activity. These are recovered from the cost centres that utilise or benefit from the support activity.

#### Sources of Capital Funding

- A variance of \$158,000 greater debt is due to a requirement to fund part of the Information Management Project capital costs. This also slightly increases finance costs for this activity.

## KEY PERFORMANCE INDICATORS

Activity	Community Outcome	Activity contribution	Level of service
<b>Health and Safety</b>	<ul style="list-style-type: none"> <li>Social</li> <li>Affordability</li> </ul>	<p>Provide safe working environment for all employees, contractors, and visitors.</p> <p>Our employees and contractors are trained, supported, and competent in understanding and delivering their obligations to Council's Health and Safety requirements.</p>	<p>High functioning Health and Safety Committee that empowers employees, contractors, and visitors.</p> <p>Our systems and processes allow staff and contractors to gain the training and development required to comply with HSWA 2015.</p>
	Performance measures 2021-2024		Performance measures 2025-2031
	100% compliance with Health and Safety Work Act 2015 (HSWA 2015).		100% compliance with Health and Safety Work Act 2015 (HSWA 2015).

## FORECAST FUNDING IMPACT STATEMENT - CUSTOMER SERVICES, SUPPORT SERVICES

Annual Plan  
2021-2022  
\$000Long Term Plan  
2022-2023  
\$000Annual Plan  
2022-2023  
\$000

### Operating funding

#### Sources of Operating Funding

General rates, Uniform Annual General Charge, Rates penalties	182	205	166
Targeted rates	0	0	0
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	0
Internal charges and overheads recovered	5,504	5,903	6,172
Local authorities fuel tax, fines, infringements fees and other receipts	75	76	76

<b>Total Operating Funding</b>	<b>A</b>	<b>5,761</b>	<b>6,184</b>	<b>6,414</b>
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#### Applications of Operating Funding

Payments to Suppliers and staff	4,378	4,492	4,678
Finance Costs	48	48	121
Internal charges and overheads applied	1,233	1,417	1,361
Other operating funding applications	0	0	0

<b>Total Applications of Operating Funding</b>	<b>B</b>	<b>5,659</b>	<b>5,957</b>	<b>6,160</b>
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<b>Surplus/ (deficit) of Operating Funding</b>	<b>A-B</b>	<b>102</b>	<b>227</b>	<b>254</b>
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### Capital funding

#### Sources of Capital Funding

Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	0	0	158
Gross proceeds from sale of assets	500	500	500
Lump Sum contributions	0	0	0
Other Dedicated Capital Funding	0	0	0

<b>Total Sources of Capital Funding</b>	<b>C</b>	<b>500</b>	<b>500</b>	<b>658</b>
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#### Capital Expenditure

- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	227	348	412
Increase/ (decrease) in reserves	375	379	500
Increase/ (decrease) in investments	0	0	0

<b>Total applications of Capital Funding</b>	<b>D</b>	<b>602</b>	<b>727</b>	<b>912</b>
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<b>Surplus/ (deficit) of Capital Funding</b>	<b>C-D</b>	<b>(102)</b>	<b>(227)</b>	<b>(254)</b>
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<b>Funding Balance</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
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# Community Facilities - Taonga

## WHAT WE DO

### Buildings and structures

Provision of public buildings and structures.

### Cultural and community facilities

Provision of community halls, theatres, aquatic centres, sporting facilities, and meeting facilities.

### Commercial property

Assist with property transfers and acquisitions along with Council property licences, leases, and legal agreements pertaining to property.

### Amenities, parks, domains, reserves, public spaces

Council provides and maintains active and passive recreational land and facilities in the Buller District to meet community and environmental needs. These areas may be managed by Council, or in conjunction with local reserve or hall sub-committees. This includes the provision of gardens, sports grounds, green areas, playgrounds and parks.

### Public toilets

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

### Property management

Council owns and manages a number of properties and buildings in the district meet community needs.

### Cemeteries

Council operates the following cemeteries:

- Orowaiti
- Mokihinui
- 
- 

### Housing for seniors

Council provides 46 housing units.

- 
- 
- 26 in Westport

### Fleet management

Fleet services under the Council vehicles is managed under the community facilities portfolio.

Council provides adequate land and plots to meet the District's urban renewal and revitalisation needs.

In conjunction with the roading/transport activity, the property team assists with urban revitalisation which provides a more pleasant environment for our communities by improving urban spaces. Urban revitalisation and renewal shapes and articulates space by giving form, shape and character to buildings, neighbourhoods and towns.

### Events Facilitation

Supporting events associated with the various aspects of the property portfolio.

## Why we are involved in these activities

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

## ASSUMPTIONS

- The current levels of service for parks and reserves maintenance will be maintained, where these facilities are being utilised. Unused and under-utilised parks and reserves will be rationalised and options and opportunities will be considered to reduce maintenance costs.
- Council will not construct any new housing for seniors units. Council will continue to operate its existing housing for seniors units until June 2024, after which an alternative operating model will be in place.
- Opportunities to rationalise Council's building and property portfolio with sales of some surplus land and buildings will be made.
- External funding will be available to match Council's contribution to the upgrade of the Carnegie Library building. If this external funding is not confirmed Council would not make the full contribution included in the budget.
- Council will continue with the property rationalisation project which assesses under-utilised land and property owned by Council throughout the district and divesting it if there is no strategic value.

## NEGATIVE EFFECTS

There are no negative effects.

## RESERVE CONTRIBUTIONS

Council collects financial contributions for the provision of open space, public recreation or other reserves (commonly referred to as 'Reserve Contributions') as a condition of resource consents for subdivision. These contributions are taken under the Buller District Plan, which also specifies how they can be used. It says that money can only be used to upgrade public recreational space and other reserves with facilities for public recreation and enjoyment, or for the protection of conservation values on reserves.

Reserve contributions can only be spent on land that meets the District Plan's definition of a reserve.

The community may have suitable projects for these reserves and are welcome to make a submission in this Draft Annual Plan.

## LINKS TO COMMUNITY OUTCOMES

This activity supports the following community outcomes:

### Social

- By providing areas for people to engage in healthy activities, social interaction and recreation.

### Affordability

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

### Environment

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

By ensuring our parks and reserves are healthy and safe.

## RENTAL CHARGES

### Housing for seniors

Housing for seniors	(per week)
Single	\$137
Couple	\$180
WINZ accommodation supplements may be available.	

## FUNDING ALLOCATIONS

Funding allocations are as per the Revenue and Finance Policy.

Activity	Funding mechanism		
	General rate	Fees	Capital spend
Reserves	90-100%	0-10%	<ul style="list-style-type: none"> <li>■ Reserve contributions</li> <li>■ Investments</li> <li>■ Depreciation reserves</li> <li>■ Investment</li> </ul>
Public Toilets	100%	-	<ul style="list-style-type: none"> <li>■ Investments</li> <li>■ Depreciation reserves</li> <li>■ Loans</li> </ul>
Cemeteries	70-85%	15-30%	
Community halls	90-100%	0-10%	
Housing for the Elderly	-	100%	
Property management	100%	-	

## SIGNIFICANT ISSUES AND THEIR IMPACT

### Housing for seniors

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

Council will look for the best option to provide the service – it is likely that ownership may not be best held by Council but that Council have some level of control in the future operation of this service. Potential options for providing this service include retaining the activity inside Council, a trust or

community housing provider model, and the private market (with appropriate safeguards for tenants and continuation of the service). Tenants of the Housing for Seniors service will see no change this year but changes are expected after June 2024. During this year \$89,000 has been budgeted for minor capital repairs across all of the units in Karamea, Westport and Reefton.

### Carnegie Library

The Carnegie Library upgrade has been allocated \$510,000 to provide seed funding to enable an equivalent contribution to be sought from an external funding source to complete seismic strengthening and refurbishment work so the building can be used.

### Brougham House upgrade

Brougham House (which is the Council Office Building situated in Westport) has been delayed. This is because Council has reprioritised the capital spending and projects which can be delivered throughout the year, taking into account the District-wide flood events of July 2021 and February 2022. A new heating and cooling system will be installed and decommissioning of the coal-fired boiler which heats Brougham House will be completed. However other upgrade work has been deferred. There is no change to the level of service provided to our community due to this reprioritisation.

### Reefton public toilets

Council had previously budgeted \$400,000 in the 2020-2021 financial year to complete the toilet upgrade. This project has carried over into the 2022-2023 financial year after \$240,000 from external grant funding was made available from the Tourism Infrastructure Fund late in 2021-2022.

### Clocktower Chambers upgrades

The 2021-2031 Long Term Plan provided \$106,000 in 2021-2022 for new toilets and \$306,000 in 2022-2023 for a new HVAC system at the Clocktower Chambers. The proposed upgrades have been deferred as part of the capital reprioritisation that occurred as part of this Draft Annual Plan. There is no change to the level of service provided to our community due to this reprioritisation.

## SIGNIFICANT CAPITAL EXPENDITURE

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

- Parks, reserves, playgrounds and green spaces for increased level of service (\$176,000).
- Reefton Public toilet upgrade: \$400,000 is now able to proceed after the Tourism Infrastructure Fund contribution of \$200,000 has been confirmed.
- Orowaiti Cemetery development including shed (\$105,000).
- Housing for seniors: \$89,000 mainly for floor covering and heating/cooling upgrades.
- Reefton Service Centre: \$231,000 for new roof, window replacements and internal fitout.
- Old Westport (Carnegie) Library: \$1,020,000. Contingent upon \$510,000 external grant funding being secured for seismic and other upgrades to the building
- Victoria Square Complex: \$104,000 for ground resurfacing and drainage and associated improvements.

## SIGNIFICANT VARIANCES

### Annual Plan vs Long Term Plan

- There are no significant variances to the Long Term Plan for this activity.



## KEY PERFORMANCE INDICATORS

Activity	Community Outcome	Activity contribution	Level of service	Performance measures 2021-2024	Performance measures 2025-2031
Property	<ul style="list-style-type: none"> <li>Social</li> <li>Affordability</li> <li>Culture</li> </ul>	<p>Ensuring our parks, reserves, cemeteries and public amenities are compliant, safe and vibrant environments that encourage community inclusion and use.</p> <p>Ensuring Council buildings and associated property infrastructure is maintained to relevant standards.</p> <p>Ensuring land and property owned, vested and managed by the Council is rationalised and utilised responsibly, and for the benefit of the Buller community</p>	<p>The district's parks, reserves, cemeteries and other amenities are maintained to ensure we are providing compliant, safe and vibrant social spaces for the community and visitors. Maintenance work is contracted out and is undertaken by qualified personnel. Council's property staff manage these contracts to ensure the work is being done to the agreed level of service, and that contractual obligations are being met.</p> <p>Council provides public, community and commercial buildings that are safe and compliant.</p> <p>Council land is managed to support use by non-profit community enterprises and community organisations, and also commercial use when appropriate.</p>	<p>Receive and review monthly reports from the Reserves and Public Amenities Contractor.</p> <p>An up-to-date register of Council owned and operated buildings and associated infrastructure is maintained.</p> <p>The Council Property Department maintains up-to-date records of Council land appointments, including:</p> <ul style="list-style-type: none"> <li>Receive and review monthly reports from the Reserves and Public Amenities Contractor.</li> <li>An up-to-date register of Council owned and operated buildings and associated infrastructure is maintained.</li> </ul> <p>The Council Property Department maintains up-to-date records of Council land appointments, including:</p> <p>Reserve Subcommittees and community organisations utilising Council land for community non-profit purposes; and</p> <p>A register recording commercial contracts including licences, leases and land use agreements.</p>	<p>Receive and review monthly reports from the Reserves and Public Amenities Contractor.</p> <p>An up-to-date register of Council owned and operated buildings and associated infrastructure is maintained.</p> <p>The Council Property Department maintains up-to-date records of Council land appointments, including:</p> <p>Reserve Subcommittees and community organisations utilising Council land for community non-profit purposes; and</p> <p>A register recording commercial contracts including licences, leases and land use agreements.</p>

## FORECAST FUNDING IMPACT STATEMENT – COMMUNITY FACILITIES

Annual Plan 2021-2022 \$000	Long Term Plan 2022-2023 \$000	Annual Plan 2022-2023 \$000
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### Operating funding

#### Sources of Operating Funding

General rates, Uniform Annual General Charge, Rates penalties	1,698	1,795	1,718
Targeted rates	0	0	0
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	0
Internal charges and overheads recovered	525	606	510
Local authorities fuel tax, fines, infringements fees and other receipts	1,303	1,304	1,413

<b>Total Operating Funding</b>	<b>A</b>	<b>3,526</b>	<b>3,705</b>	<b>3,641</b>
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#### Applications of Operating Funding

Payments to Suppliers and staff	2,626	2,727	2,744
Finance Costs	21	77	26
Internal charges and overheads applied	429	447	453
Other operating funding applications	0	0	0

<b>Total Applications of Operating Funding</b>	<b>B</b>	<b>3,076</b>	<b>3,251</b>	<b>3,223</b>
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<b>Surplus/ (deficit) of Operating Funding</b>	<b>A-B</b>	<b>450</b>	<b>454</b>	<b>418</b>
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### Capital funding

#### Sources of Capital Funding

Subsidies and grants for capital expenditure	0	510	510
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	520	627	442
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
Other Dedicated Capital Funding	0	0	0

<b>Total Sources of Capital Funding</b>	<b>C</b>	<b>520</b>	<b>1,137</b>	<b>952</b>
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#### Capital Expenditure

- to meet additional demand	0	0	0
- to improve the level of service	1,115	1,512	1,356
- to replace existing assets	542	491	723
Increase/ (decrease) in reserves	(687)	(412)	(709)
Increase/ (decrease) in investments	0	0	0

<b>Total applications of Capital Funding</b>	<b>D</b>	<b>970</b>	<b>1,591</b>	<b>1,370</b>
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<b>Surplus/ (deficit) of Capital Funding</b>	<b>C-D</b>	<b>(450)</b>	<b>(454)</b>	<b>(418)</b>
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<b>Funding Balance</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
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# Commercial Infrastructure

## WESTPORT AIRPORT

### *Papa rererangi*

#### WHAT WE DO

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

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

#### WHY WE DO IT

Ensuring the Buller District has a key transport link to support the economy

- To operate as close as possible to a commercial business in a cost effective and efficient manner.
- To maintain the Westport Airport assets.
- To enter into any commercial undertakings that will complement the airport operations

#### ASSUMPTIONS

- The agreement with Sounds Air will remain as our main service provider
- There will be no loss of service or change to level of service agreements
- The Airport will continue to pass audits and maintain a high level of safety management

#### NEGATIVE EFFECTS

There has been a negative effect on operations due to Covid restrictions and the July 2021 flood event, the latter causing damage to the runway lighting system. If less than expected income is received due to less flight landings then Council and the joint venture partner will need to co-fund more to support the activity in the future. Council funds half of the annual loss and half share of asset purchases from general rates.

#### LINKS TO STRATEGIC GOALS AND COMMUNITY OUTCOMES

This activity supports the following community outcomes:

##### Social

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

##### Affordability

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

#### Prosperity

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

Activity	Internal allocation	Funding mechanism		
		Fees	Other	Capital spend
Airport	-	45-48%	Balance funded 50/50 with Ministry of Transport (MOT)	■ Depreciation reserves (balance 50% funded from MOT)

#### SIGNIFICANT ISSUES AND THEIR IMPACT

There has been a significant issue and impact on the airport as a result of the July 21 flood event, which caused the failure of the airport's runway lights, and the inability to provide night hour landings and departures. This in turn lead to a drop in flight numbers, already impacted by Covid restrictions. Insurance claims for the lights and funding from our joint venture partner has allowed us to upgrade the lighting system ahead of the proposed 2024-2025 capital expenditure planned.

#### SIGNIFICANT VARIANCES

##### Annual Plan vs Long Term Plan

##### General rates, uniform annual general charge, rate penalties

- The increase is due a predicted reduction in income as explained below and a minor increase in costs.

##### Fee and charges

- The predicted reduction in landing and services charges is due to current reductions in flight scheduling as a result of Covid that is anticipated to continue for at least the first six months of 2022 - 2023.

##### Capital expenditure

##### - to replace existing assets

- An additional \$90,000 is predicted to be spent on a ground power unit and a carpark building at the airport, Council's share of this is 50%.

## WESTPORT HARBOUR

### Puahatanga

### WHAT WE DO

The Westport Harbour is located on the Buller River at Westport. The harbour provides facilities for commercial shipping, the local fishing fleet, and recreational aquatic activities.

### WHY WE DO IT

- To ensure the Buller District has a key transport link to support the economy and add resilience to the area in terms of access in times of disaster.
- To ensure the local fishing fleet has sufficient facilities to continue contributing to the local economy.
- To provide a recreational facility for fisherman, yachties and other aquatic sports
- To enter into any commercial undertakings that will complement the local economy.

### ASSUMPTIONS

- In line with the 2021-2031 Long Term Plan the assumption remains that all harbour activities including the port and dredging activities will be ring-fenced as a separate activity. All funding, expenditure, surpluses and deficits for the Westport Harbour activity accumulate to a separate reserve and are not ratepayer funded.
- There will be no loss of service or change to level of service agreements
- The harbour will continue to pass audits and maintain a high level of safety management
- That any expenditure on the dredge Kawatiri is only instigated once the strategy of meeting the requirements of a sound business case is achieved

### NEGATIVE EFFECTS

There has been a negative effect on operations due to the July 2021 flood event causing damage to wharf system and raising the riverbed levels.

The strategy underpinning the assumption the port and dredging activities will be self-funding is reliant on sufficient dredging revenue to be achieved either through a large commercial operator shipping out of the port. If this is not achieved Council would have to consider other alternatives for the dredge such as out-port dredging or selling the Kawatiri dredge.

It should be noted that the port has some fixed costs of operation whether or not the Kawatiri dredge is operational. These costs would need to be met by other port revenues if the dredge was not contributing any surplus to the port activities. Council will assess the port operations on an annual basis and decide if the port and Kawatiri dredging is a viable operation. If the profitability of the port is not in line with assumptions, the decision will be made by Council if this operation should continue.

### LINKS TO STRATEGIC GOALS AND COMMUNITY OUTCOMES

This activity supports the following community outcomes:

#### Social

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

#### Affordability

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

#### Prosperity

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

Activity	Internal allocation	Funding mechanism		
		Fees	Other	Capital spend
Airport	-	45-48%	Balance funded 50/50 with Ministry of Transport (MOT)	■ Depreciation reserves (balance 50% funded from MOT)

### SIGNIFICANT ISSUES AND THEIR IMPACT

There has been a significant issue and impact on the harbour wharf system as a result of the July 2021 flood event, which caused the failure of two of the main wharves. This has meant that a lease agreement to West Coast Bulk Logistics has had to be renegotiated to add in additional wharf space.

### SIGNIFICANT VARIANCES

#### Annual Plan vs Long Term Plan

The surplus expected from port operations is going to be \$60,000 down from the predicted surplus of \$540,000 in the same year of the Long Term Plan.

The predicted reduction in surplus is primarily due to timing of forecast dredging revenue from the Port Provincial Growth Fund projects that are being realised earlier than predicted in the 2021-2031 Long Term Plan.

The remaining variance mainly relates to predicted increases in insurances and interest rates for the activity.

Surpluses for future years will depend on the dredging contracts being obtained.

### REMAINING SIGNIFICANT VARIANCE

Government grants and purchase of investments are \$1.5m less than in the same year of the 2021 – 2031 Long Term Plan as the proposed whitebait farm share purchase will not proceed due to New Zealand Whitebait Ltd being unable to meet the required milestone timeframe for raising private equity funds.

## KEY PERFORMANCE INDICATORS - WESTPORT AIRPORT

Activity	Community Outcome	Activity contribution	Level of service
Airport	<ul style="list-style-type: none"> <li>■ Social</li> <li>■ Affordability</li> <li>■ Culture</li> </ul>	Our airport provides public transportation links for the region. Providing a safe and sustainable transport system. We are a lifeline link for our rural community	An airport facility that is safe, compliant and available for use. Providing a high level of customer service and community opportunity
	Performance measures 2021-2024		Performance measures 2025-2031
	Complete an annual customer survey. Retain CAA certification 100% of the time. Operate in a cost-effective manner – judged against projected income and expenditure.		Complete an annual customer survey. Retain CAA certification 100% of the time. Operate in a cost-effective manner – judged against projected income and expenditure.

## KEY PERFORMANCE INDICATORS - WESTPORT HARBOUR

Activity	Community Outcome	Activity contribution	Level of service
Port	<ul style="list-style-type: none"> <li>■ Social</li> <li>■ Affordability</li> <li>■ Prosperity</li> <li>■ Environment</li> </ul>	Westport harbour provides a sheltered port for fishing and leisure boats. It supplies berthage and marine services and is ideally situated for exporting and importing cargo via the West Coast.	A port facility which has health and safety at a high standard and provides a high level of service and commercial opportunity
	Performance measures 2021-2024		Performance measures 2025-2031
	To operate in a cost-effective manner. Financial performance to be judged against projected income and expenditure. 100% compliant with legislative, health and safety requirements.		To operate in a cost-effective manner. Financial performance to be judged against projected income and expenditure. 100% compliant with legislative, health and safety requirements.

## FORECAST FUNDING IMPACT STATEMENT - COMMERCIAL INFRASTRUCTURE

Annual Plan 2021-2022 \$000	Long Term Plan 2022-2023 \$000	Annual Plan 2022-2023 \$000
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### Operating funding

#### Sources of operating funding

General rates, Uniform Annual General Charge, Rates penalties	123	129	172
Targeted rates	0	0	0
Subsidies and grants for operating purposes	8	0	0
Fees and charges	198	232	152
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	2,168	2,976	2,694
<b>Total Operating Funding</b>	<b>A</b>	<b>2,497</b>	<b>3,337</b>

#### Applications of operating funding

Payments to Suppliers and staff	4,604	2,360	2,407
Finance Costs	31	70	120
Internal charges and overheads applied	235	241	270
Other operating funding applications	0	0	0
<b>Total Applications of Operating Funding</b>	<b>B</b>	<b>4,870</b>	<b>2,671</b>
<b>Surplus/ (deficit) of Operating Funding</b>	<b>A-B</b>	<b>(2,373)</b>	<b>666</b>

### Capital funding

#### Sources of capital funding

Subsidies and grants for capital expenditure	500	1,500	0
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	1,747	(126)	(110)
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
Other Dedicated Capital Funding	0	0	0
<b>Total Sources of Capital Funding</b>	<b>C</b>	<b>2,247</b>	<b>1,374</b>

#### Capital expenditure

- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	36	18	64
Increase/ (decrease) in reserves	(662)	522	47
Increase/ (decrease) in investments	500	1,500	0
<b>Total applications of Capital Funding</b>	<b>D</b>	<b>(126)</b>	<b>2,040</b>
<b>Surplus/ (deficit) of Capital Funding</b>	<b>C-D</b>	<b>2,373</b>	<b>(666)</b>
<b>Funding Balance</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>

# Council Controlled Organisations

## 1. Nature and scope of activities

### BULLER HOLDINGS LIMITED

Buller Holdings Limited is a holding company that was set up to provide a commercial focus in the governance and management of the Buller District Council's commercial assets. Buller Holdings aims to operate as a successful company providing a competitive rate of return on the capital investments of the company.

**Buller Holdings Limited has two fully owned subsidiaries:**

- WestReef Services Limited; and
- Buller Recreation Limited trading as the Pulse Energy Recreation Centre (PERC).

Buller Holdings Ltd (BHL Ltd) has a new chairperson and two new directors.

Council went through a recruitment process which involved the Institute of Directors NZ to stimulate expressions of interest and appoint the new recruits.

Kieran Sweetman and Vanessa van Uden join existing directors Rob Burdekin and Gareth Allen, and Steve Grave steps up as Chairman of the board of the Council Controlled Organisation (CCO).

While welcoming new directors, BHL farewelled two directors who have given long service to the organisation.

Departing Chairman Brian Wood served 12 years on the board of directors, and Jan Coll had served six years. Their work and dedication was of great value to the community.

### WESTREEF SERVICES LIMITED

WestReef Services Limited is 100% owned by Buller Holdings Limited.

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

- Road and bridges - maintenance and construction.
- Response for road and civil defence emergencies.
- Parks and reserves (including associated facilities) - maintenance and construction.
- Utility services (water and sewerage reticulation) - maintenance and construction.
- Vehicle workshop repairs.
- Response to road and civil defence emergencies.
- Roadside vegetation control.
- Property maintenance.
- Solid and liquid waste collection.
- Transfer stations.
- Refuse collection.
- Environmental and back country projects.

## 2. Significant policies and objectives

The principal objective of Buller Holdings Limited is to operate as a successful business while working for the benefit of its shareholders.

In pursuing these objectives the company is guided by the following key principles.

### FINANCIAL PERFORMANCE

The company is committed to operating as a successful business and achieving a competitive rate of return on its investments while working for the benefit of the shareholders.

It will be striving to minimise operating costs and manage the assets and liabilities in a prudent way. The definition of financial return considers social, economic, and environmental needs of the community.

### SERVICE

The company recognises that the needs of the group's major customers are paramount and is committed to meeting those needs. It also recognises the need to develop its customer base to ensure sustainability of the business in the future.

### EMPLOYEE RELATIONS

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

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

### SAFETY AND ENVIRONMENT

The company has a zero tolerance to safety and environmental incidents. The company undertakes to comply with all health and safety legislation requirements.

### 3. Key Performance targets

#### BULLER HOLDINGS LIMITED

Objective	Performance Measure	
Financial performance	Achieving budget revenue and expenditure	
	Delivery of unaudited quarterly reports by 16 November, 23 February and 16 May	
	Delivery of an annual report and audited financial statements in respect to the financial year	
	The Directors shall provide a Statement of Intent (SOI) by 1 March for approval by Council	
	The Directors shall provide a Statement of Intent (SOI) by 1 March for approval by Council	
	Performance measures 2021-2024	Performance measures 2025-2031
	Operate within budgets	Operate within budgets
	Provision of quarterly reports to Council by due dates	Provision of quarterly reports to Council by due dates
	Provision of annual report and audited financial statements by due date	Provision of annual report and audited financial statements by due date
	Provision of Statement of Intent by due date	Provision of Statement of intent by due date
	Annual review of financial performance	Annual review of financial performance
Objective	Performance Measure	
Health and safety	Medical treatment injury	
	Serious harm accidents	
	LTI target	
	Performance measures 2021-2024	Performance measures 2025-2031
	Nil treated injuries	Nil treated injuries
	Nil serious harm incidents	Nil serious harm incidents
	Nil lost time incidents	Nil lost time incidents
Objective	Performance Measure	
Operational	The board of directors will meet with BDC, CCO committee on a formal basis (per/year)	
	The Buller Holdings Limited Chief Executive Officer will provide a formal or informal report to Council as requested	
	The Chief Executive Officer of Buller Holdings Limited will meet with the Chief Executive Officer of Buller District Council when requested	
	Performance measures 2021-2024	Performance measures 2025-2031
	Meet at least three times per year on a formal basis	Meet at least three times per year on a formal basis
	Provide a formal and/or informal report to Council as requested	Provide a formal and/or informal report to Council as requested
	Meet with the Chief Executive Officer of Buller District Council as requested	Meet with the Chief Executive Officer of Buller District Council as requested



## 3. Key Performance targets

### WESTREEF SERVICES LIMITED

Objective	Performance Measure	
Health and Safety	Medical treatment injury	
	Serious harm accidents	
	LTI target	
	ISO 45001 accreditation	
	Performance measures 2021-2024	Performance measures 2025-2031
	Nil treated injuries	Nil treated injuries
	Nil serious harm incidents	Nil serious harm incidents
	Nil lost time incidents	Nil lost time incidents
	Maintain ISO 45001 accreditation	Maintain ISO 45001 accreditation
Objective	Performance Measure	
Operational	Employee satisfaction - staff turnover excluding retirement, redundancy and internal transfers	
	Client satisfaction - meet with major clients to obtain feedback on contract performance	
	To renew its TQS1 certification as required	
	Performance measures 2021-2024	Performance measures 2025-2031
	Within the range of +/- 5% of national benchmark	Within the range of +/- 5% of national benchmark
	Minimum of 12 meetings per year	Minimum of 12 meetings per year
	Achieve renewal	Achieve renewal
Objective	Performance Measure	
Employee development and satisfaction	Undertake staff satisfaction survey two-yearly.	
	Hold staff meetings to ensure effective communication with all staff	
	Performance measures 2021-2024	Performance measures 2025-2031
	Carry out staff satisfaction survey in 2023	Carry out staff satisfaction survey in 2025, 2027, 2029 and 2031
	Weekly department staff meetings to be held	Weekly department staff meetings to be held
	Operate within budgets	Operate within budgets
Objective	Performance Measure	
Financial Performance	Achieving budget revenue and expenditure	
	To grow revenue from competitively procured work	
	Maintain a ratio of 60% of shareholders' funds to total assets	
	Performance measures 2021-2024	Performance measures 2025-2031
	Operate within budgets	Operate within budgets
	Target 45% of gross revenue	Target 45% of gross revenue
	Achieve 60%	Achieve 60%
Objective	Performance Measure	
Environmental	Undertake to receive no enforcement notices	
	Performance measures 2021-2024	Performance measures 2025-2031
	Nil enforcement notices received	Nil enforcement notices received
Objective	Performance Measure	
Community	Support activities involved with the social and environmental development in the community	
	Performance measures 2021-2024	Performance measures 2025-2031
	Support a minimum of 25 community activities per annum	Support a minimum of 25 community activities per annum

## 3. Key Performance targets

### BULLER RECREATION LIMITED

Objective	Performance Measure	
Financial	Achieving budget revenue and expenditure	
	Maintain a ratio of 60% of shareholders' funds to total assets	
	Performance measures 2021-2024	Performance measures 2025-2031
	Operate within budgets	Operate within budgets
	Achieve 60%	Achieve 60%
Objective	Performance Measure	
Fitness Membership	Maintain an average of 700 members over a 12-month period	
	Average retention rate of >75% over 12-month period	
	Performance measures 2021-2024	Performance measures 2025-2031
	Maintain an average of 700 members	Maintain an average of 700 members
	Maintain membership over >75%	Maintain membership over >75%
Objective	Performance Measure	
Aquatic Centre	Maintain an average visits of >4,080 per month over 12 months	
	Achieve in excess of 140 swimming students, over four terms	
	Performance measures 2021-2024	Performance measures 2025-2031
	2022 (visits): 4,080; 2023: 4,100; 2024: 4,120	>4120 visits per annum
	2022 (students): 140; 2023: 150; 2024: 150 students	>150 students, over four terms
Objective	Performance Measure	
Health & Safety	Medical treatment injury	
	Serious harm accidents	
	LTI target	
	Performance measures 2021-2024	Performance measures 2025-2031
	Nil treated injuries	Nil treated injuries
	Nil serious harm incidents	Nil serious harm incidents
	Nil lost time incidents	Nil lost time incidents
Objective	Performance Measure	
Work Environment	Maintain regular communication with all employees through weekly emailed updates and meetings with all staff every four months	
	Review the succession plan for key positions and identify training needs and actions for the next 12-months	
	Complete annual review process with all staff	
	Undertake a staff satisfaction survey 2-yearly	
	Undertake a client satisfaction survey every second year	
	Performance measures 2021-2024	Performance measures 2025-2031
	Hold all of staff meetings every four months	Hold all of staff meetings every four months
	Update succession plans and training programmes	Update succession plans and training programmes
	Annual review process is achieved with all staff	Annual review process is achieved with all staff
	Conduct staff survey during 2022; 2024	Conduct staff survey during 2026; 2028; 2030
	Conduct client satisfaction survey during 2023	Conduct client satisfaction survey during 2025; 2027; 2029; 2031
Objective	Performance Measure	
Asset Management	Complete a review of the Asset Management Plan (AMP) annually	
	Complete maintenance and replacement in accordance with the AMP (monitor monthly)	
	Performance measures 2021-2024	Performance measures 2025-2031
	Complete an annual review of the AMP	Complete an annual review of the AMP
	Complete planned maintenance and replacement programme	Complete planned maintenance and replacement programme

# Other Council Controlled Organisations

## BULLER HEALTH TRUST

*Kaitiaki hauora Buller*

### 1. Nature and scope of activities to be provided

The Buller Health Trust (BHT) is a charitable trust incorporated under the Charitable Trusts Act 1957.

BHT assists with preserving public health and well-being in the Buller District. The trustees are the Mayor and Chief Executive Officer of the Buller District Council.

BHT is the owner and operator of the Westport Dental Clinic and Coast Medical, it purchased both clinics from the previous owners in order to ensure dental and health services were provided in Westport.

The BHT is working with South Peak homes to lease a new fit for purpose integrated primary health centre intended to be built by mid-2023.

This is an exciting opportunity to collocate Westport Dental and Coast medical practice to offer a one stop shop service.

### 2. Significant policies and objectives

- Council's Mayor and Chief Executive Officer are trustees.
- The objective of the trust is to support the provision of medical services in the Buller District.
- The Buller District Council provides funding to the trust by way of loans.

### 3. Key Performance targets

- 
- To operate on a breakeven basis.

### 4. Significant variances:

Annual Plan vs Long Term Plan

- 

To support the provision of appropriate medical services to the Buller community.

There are no significant variances compared to the Long Term Plan.

## DENNISTON HERITAGE TRUST

*Kaitiakitanga tuku iho Denniston*

### 1. Nature and scope of activities to be provided

The Denniston Heritage Charitable Trust was established in July 2007. The purpose of the trust is the preservation, enhancement and interpretation of Denniston's natural, social, industrial and geological history. The trust's current activities include maintaining historical installations at Denniston to allow visitors to experience the richness of the historical and natural heritage, supported by facilities and information panels at Denniston.

### 2. Significant policies and objectives

- The board of the Denniston Heritage Trust comprises of at least seven trustees, of which one is appointed by the Buller District Council.
- The objective of the trust is to maintain the historical features of Denniston and to encourage visitors, while at the same time managing unwanted visitor impacts on the local community, natural environment and heritage site.
- The Buller District Council does not provide funding to the trust.

### 3. Key Performance targets

- To meet the objectives of the trust.
- To promote Denniston as a premium visitor location rich in natural and historic heritage.

### 4. Significant variances:

Annual Plan vs Long Term Plan

- There are no significant variances compared to the Long Term Plan.

# Financial Statements

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## FORECAST STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES

		Annual Plan 2021-2022 \$000	Long Term Plan 2022-2023 \$000	Annual Plan 2022-2023 \$000
<b>Operating revenue</b>				
	Notes:			
General Rates	1	9,465	10,268	9,903
Targeted Rates	2	6,593	6,795	7,382
Rates Penalties		150	150	150
Metered Water Charges		232	235	235
Subsidies & Grants	3	8,749	9,997	6,906
Fees & Charges	4	5,203	6,103	6,080
Development Contributions		52	53	53
Vested Assets		50	51	50
Profit on Sale of Assets		0	0	0
Revaluation of Investment Properties		133	158	158
Holding Company Distribution		1,300	1,300	1,300
Investment Income	5	149	132	441
<b>Total operating revenue</b>		<b>32,076</b>	<b>35,242</b>	<b>32,658</b>
<b>Operating expenditure</b>				
Employee Benefit Expenses		6,727	6,707	7,180
Depreciation and Amortisation	6	6,743	7,252	7,342
Finance Costs	7	818	849	1,369
Other Expenses		17,292	15,739	15,360
Writeoff of Assets		481	481	476
<b>Total Operating Expenditure</b>	8	<b>32,061</b>	<b>31,028</b>	<b>31,727</b>
<b>Net Surplus (Deficit) Before Taxation</b>		<b>15</b>	<b>4,214</b>	<b>931</b>
Income Tax Expense		0	0	0
<b>Net Surplus (Deficit) After Taxation</b>		<b>15</b>	<b>4,214</b>	<b>931</b>
<b>Comprehensive revenue and expense</b>				
Increase in Infrastructure Revaluation Reserve		12,727	0	0
<b>Total Comprehensive Revenue &amp; Expense</b>		<b>12,742</b>	<b>4,214</b>	<b>931</b>

## FORECAST MOVEMENTS IN EQUITY

	Annual Plan 2021-2022 \$000	Long Term Plan 2022-2023 \$000	Annual Plan 2022-2023 \$000
<b>Equity as at 1 July</b>	400,338	413,080	409,333
Total comprehensive revenue and expenses	12,742	4,214	931
<b>Total equity at end of year</b>	<b>413,080</b>	<b>417,294</b>	<b>410,264</b>
<b>Components of equity</b>			
Accumulated funds	179,576	184,306	182,059
Reserves	4,100	3,584	4,489
Assets revaluation reserve	229,404	229,404	223,716
<b>Total equity at end of year</b>	<b>413,080</b>	<b>417,294</b>	<b>410,264</b>

## FORECAST STATEMENT OF FINANCIAL POSITION

	Annual Plan 2021-2022 \$'000	Long Term Plan 2022-2023 \$'000	Annual Plan 2022-2023 \$'000
<b>Current assets</b>			
Cash and Bank	997	1,040	1,039
Trade and Other Receivable	5,834	6,412	5,929
Inventories	18	20	19
Other Current Assets	186	186	224
Short Term Investments	15,413	13,313	13,230
<b>Total current assets</b>	<b>22,448</b>	<b>20,971</b>	<b>20,441</b>
<b>Non current assets</b>			
Investment In Council Controlled Organisations	20,404	22,087	20,216
Investment Properties	7,943	8,039	10,270
Infrastructural Assets	375,221	377,389	379,487
Other Non Current Assets	36,041	36,758	29,512
Intangible Assets	199	394	400
<b>Total non current assets</b>	<b>439,808</b>	<b>444,667</b>	<b>439,885</b>
<b>Total assets</b>	<b>462,256</b>	<b>465,638</b>	<b>460,326</b>
<b>Current liabilities</b>			
Trade and Other Payables	6,584	6,161	6,290
Derivative Financial Instruments	552	552	566
Employee Benefits	741	693	708
Provisions	41	42	34
Current Portion of Term Debt	313	320	284
<b>Total current liabilities</b>	<b>8,231</b>	<b>7,768</b>	<b>7,882</b>
<b>Non current liabilities</b>			
Derivative Financial Instruments	2,404	2,404	1,102
Environmental Provisions	1,485	1,436	1,836
Bond Deposits	88	88	334
Employee Entitlement	161	161	161
Term Debt	36,807	36,487	38,747
<b>Total non current liabilities</b>	<b>40,945</b>	<b>40,576</b>	<b>42,180</b>
<b>Equity</b>			
Accumulated Funds	179,576	184,306	182,059
Reserves	4,100	3,584	4,489
Asset Revaluation Reserve	229,404	229,404	223,716
<b>Total equity</b>	<b>413,080</b>	<b>417,294</b>	<b>410,264</b>
<b>Total equity and liabilities</b>	<b>462,256</b>	<b>465,638</b>	<b>460,326</b>

## FORECAST STATEMENT OF CASHFLOW

	Annual Plan 2021-2022 \$000	Long Term Plan 2022-2023 \$000	Annual Plan 2022-2023 \$000
<b>Cashflows from operating activities:</b>			
<b>Cash will be provided from:</b>			
Rates	16,208	17,213	17,435
Other Income	14,236	16,388	13,274
Interest Received	149	132	441
Dividend Income & Subvention Payments Received	1,300	1,300	1,300
	<b>31,893</b>	<b>35,033</b>	<b>32,450</b>
<b>Cash will be applied to:</b>			
Payments to Suppliers and Employees	23,376	23,545	21,353
Interest Paid	818	849	1,369
	<b>24,194</b>	<b>24,394</b>	<b>22,722</b>
<b>Net cash from operating activities</b>	<b>7,699</b>	<b>10,639</b>	<b>9,728</b>
<b>Cashflows from investing activities:</b>			
<b>Cash will be provided from:</b>			
Investments Realised	2,600	2,100	1,600
Sale of Fixed Assets	0	0	0
Sale of Investment Property	560	561	561
	<b>3,160</b>	<b>2,661</b>	<b>2,161</b>
<b>Cash will be applied to:</b>			
Purchase of Fixed Assets	10,794	11,261	14,415
Purchase of Equity Investments	602	1,683	183
Purchase of Investments	0	0	0
	<b>11,396</b>	<b>12,944</b>	<b>14,598</b>
<b>Net cash from investing activities</b>	<b>(8,236)</b>	<b>(10,283)</b>	<b>(12,437)</b>
<b>Cashflows from financing activities:</b>			
<b>Cash will be provided from:</b>			
Loans raised	0	0	3,891
	<b>0</b>	<b>0</b>	<b>3,891</b>
<b>Cash will be applied to:</b>			
Repayment of Loans	230	313	143
	<b>230</b>	<b>313</b>	<b>143</b>
<b>Net cash from financing activities</b>	<b>(230)</b>	<b>(313)</b>	<b>3,748</b>
<b>Net increase (decrease) in cash</b>	<b>(767)</b>	<b>43</b>	<b>1,039</b>
<b>Opening cash as at 1 July</b>	<b>1,764</b>	<b>997</b>	<b>0</b>
<b>Closing cash as at 30 June</b>	<b>997</b>	<b>1,040</b>	<b>1,039</b>

## | FORECAST FINANCIALS |

**NOTE 1:  
REQUIRED FROM GENERAL RATES**

	Annual Plan 2021-2022 \$000	Long Term Plan 2022-2023 \$000	Annual Plan 2022-2023 \$000
Democracy	1,621	1,680	1,712
Support services	182	205	166
Community services	3,571	3,693	3,845
Regulatory services	1,419	1,507	1,529
Property	1,698	1,795	1,718
Roading and urban development	2,197	2,262	2,111
Water	0	0	0
Solid waste	350	520	502
Wastewater	0	0	0
Infrastructure delivery	(58)	(57)	(3)
Commercial infrastructure	123	129	172
Stormwater	612	769	808
	<b>11,715</b>	<b>12,503</b>	<b>12,560</b>
<b>Less:</b>			
Investment income	(360)	(385)	(806)
Other income - dividends	(1,300)	(1,300)	(1,300)
Asset sales	(440)	(400)	(400)
	<b>(2,106)</b>	<b>(2,085)</b>	<b>(2,506)</b>
Rates penalties	(150)	(150)	(150)
<b>Total general rates requirement</b>	<b>9,465</b>	<b>10,268</b>	<b>9,904</b>

**NOTE 2:  
TARGETED RATES**

	Annual Plan 2021-2022 \$000	Long Term Plan 2022-2023 \$000	Annual Plan 2022-2023 \$000
Water	3,137	3,279	3,675
Solid waste	739	763	796
Wastewater	2,717	2,753	2,911
<b>Total targeted rates</b>	<b>6,593</b>	<b>6,795</b>	<b>7,382</b>

**NOTE 3:  
SUBSIDIES AND GRANTS**

	Annual Plan 2021-2022 \$000	Long Term Plan 2022-2023 \$000	Annual Plan 2022-2023 \$000
Support	0	0	0
Commercial infrastructure	508	1,500	0
Property	0	510	510
Community services	375	109	91
Roading and urban development	7,823	7,834	6,248
Water	0	0	0
Solid waste	44	45	57
<b>Total subsidies and grants</b>	<b>8,750</b>	<b>9,998</b>	<b>6,906</b>



## | FORECAST FINANCIALS |

**NOTE 4:  
FEES AND CHARGES**

	Annual Plan 2021-2022 \$000	Long Term Plan 2022-2023 \$000	Annual Plan 2022-2023 \$000
Democracy	0	39	34
Community services	262	269	262
Regulatory services	932	934	1,207
Property	1,303	1,304	1,413
Roading and urban development	157	162	132
Water	0	0	0
Solid waste	99	101	101
Wastewater	5	6	6
Support services	75	76	76
Infrastructure delivery	0	0	0
Stormwater	5	5	5
Commercial infrastructure	2,365	3,208	2,845
<b>Total fees and charges</b>	<b>5,203</b>	<b>6,104</b>	<b>6,081</b>

**NOTE 5:  
INVESTMENT INCOME**

	Annual Plan 2021-2022 \$000	Long Term Plan 2022-2023 \$000	Annual Plan 2022-2023 \$000
Interest, Dividends & Subventions	360	385	806
LESS: internal interest	(210)	(253)	(365)
<b>Total investment income</b>	<b>150</b>	<b>132</b>	<b>441</b>

**NOTE 6:  
DEPRECIATION**

	Annual Plan 2021-2022 \$000	Long Term Plan 2022-2023 \$000	Annual Plan 2022-2023 \$000
Democracy	0	0	0
Community services	265	291	254
Regulatory services	28	40	39
Property	647	716	712
Roading and urban development	3,275	3,492	3,530
Water	881	916	1,077
Solid waste	82	83	96
Wastewater	873	927	930
Support services	162	233	254
Infrastructure delivery	13	18	20
Commercial infrastructure	221	224	150
Stormwater	297	312	281
<b>Total depreciation</b>	<b>6,744</b>	<b>7,252</b>	<b>7,343</b>

## | FORECAST FINANCIALS |

**NOTE 7:  
FINANCE COSTS**

	Annual Plan 2021-2022 \$000	Long Term Plan 2022-2023 \$000	Annual Plan 2022-2023 \$000
Interest expenses	1,028	1,103	1,734
LESS: internal interest	(210)	(253)	(365)
<b>Total finance costs</b>	<b>818</b>	<b>850</b>	<b>1,369</b>

**NOTE 8:  
OPERATING EXPENDITURE PER ACTIVITY**

	Annual Plan 2021-2022 \$000	Long Term Plan 2022-2023 \$000	Annual Plan 2022-2023 \$000
Democracy	1,621	1,719	1,746
Community services	4,124	3,985	4,114
Regulatory services	2,351	2,441	2,736
Property	3,722	3,966	3,934
Roading and urban development	7,648	8,191	7,903
Water	3,153	3,195	3,661
Solid waste	1,230	1,424	1,435
Wastewater	2,445	2,678	2,734
Support services	5,820	6,190	6,414
Infrastructure delivery	964	1,028	1,605
Commercial infrastructure	5,091	2,896	2,946
Stormwater	673	681	678
	<b>38,842</b>	<b>38,394</b>	<b>39,906</b>
<b>Less:</b>			
PLUS: writeoff of assets	481	481	476
LESS: internal interest	(210)	(253)	(365)
LESS: internal recoveries	(7,051)	(7,594)	(8,289)
<b>Total operating expenditure</b>	<b>32,062</b>	<b>31,028</b>	<b>31,728</b>

**NOTE 9:  
INTERNAL RECOVERIES**

	Annual Plan 2021-2022 \$000	Long Term Plan 2022-2023 \$000	Annual Plan 2022-2023 \$000
Property	525	606	510
Support	5,504	5,903	6,172
Infrastructure delivery	1,022	1,085	1,608
<b>Total internal recoveries</b>	<b>7,051</b>	<b>7,594</b>	<b>8,290</b>

## FORECAST FUNDING IMPACT STATEMENT BULLER DISTRICT COUNCIL

Annual Plan 2021-2022 \$000	Long Term Plan 2022-2023 \$000	Annual Plan 2022-2023 \$000
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### Operating funding

<b>Sources of Operating Funding</b>				
General rates, Uniform Annual General Charge, Rates penalties		9,615	10,418	10,053
Targeted rates		6,593	6,795	7,382
Subsidies and grants for operating purposes		3,241	3,107	2,953
Fees and charges		429	467	387
Interest and dividends from investments		1,449	1,432	1,741
Local authorities fuel tax, fines, infringements fees and other receipts		5,005	5,871	5,929
<b>Total Operating Funding</b>	<b>A</b>	<b>26,332</b>	<b>28,090</b>	<b>28,445</b>
<b>Applications of Operating Funding</b>				
Payments to Suppliers and staff		23,511	21,946	22,157
Finance Costs		818	849	1,369
Other operating funding applications		508	499	384
<b>Total Applications of Operating Funding</b>	<b>B</b>	<b>24,837</b>	<b>23,294</b>	<b>23,910</b>
<b>Surplus/ (deficit) of Operating Funding</b>	<b>A-B</b>	<b>1,495</b>	<b>4,796</b>	<b>4,535</b>

### Capital funding

<b>Sources of Capital Funding</b>				
Subsidies and grants for capital expenditure		5,474	6,855	3,918
Development and financial contributions		52	53	53
Increase/(Decrease) in Debt		(230)	(313)	3,748
Gross proceeds from sale of assets		560	561	561
Lump Sum contributions		35	36	35
Other Dedicated Capital Funding		-	-	-
<b>Total Sources of Capital Funding</b>	<b>C</b>	<b>5,891</b>	<b>7,192</b>	<b>8,315</b>
<b>Application of Capital Expenditure</b>				
- to meet additional demand		0	-	-
- to improve the level of service		3,700	4,698	5,924
- to replace existing assets		7,095	6,563	8,491
Increase/ (decrease) in reserves		(4,011)	(956)	(1,748)
Increase/ (decrease) in investments		602	1,683	183
<b>Total applications of Capital Funding</b>	<b>D</b>	<b>7,386</b>	<b>11,988</b>	<b>12,850</b>
<b>Surplus/(deficit) of Capital Funding</b>	<b>C-D</b>	<b>(1,495)</b>	<b>(4,796)</b>	<b>(4,535)</b>
<b>Funding Balance</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>

## FORECAST STATEMENT OF CAPITAL EXPENDITURE

		Annual Plan 2021-2022 \$000	Long Term Plan 2022-2023 \$000	Annual Plan 2022-2023 \$000
Support services	Information Technology, Vehicle Replacement	227	348	412
Regulatory services	Vehicle Replacements, Emergency Operations Centre plant	131	62	0
Community services	Theatres, Recreation Facilities and Libraries	251	242	242
	Promotion and Development	0	0	0
Property	Reserves, Playgrounds and Camping Grounds	271	66	177
	Cemeteries	84	65	105
	Council Properties and Buildings, Public Toilets	1,206	1,782	1,707
	Housing for the Elderly	96	90	90
Roothing	Roothing and Footpaths	5,739	5,484	3,731
	Street Banners and District Led Urban Revitalisation	320	330	630
Solid waste	Contracted Refuse (litter bins, transfer stations and local reprocessor plant)	90	153	153
	Karama Solid Waste (compactor)	80	0	0
	Maruia Solid Waste (1st stage consent for new transfer station)	0	71	71
Sewerage	Westport Sewer	755	699	2,996
	Reefton Sewer	170	209	226
	Little Wanganui Sewer	7	7	8
Water	Westport Water	703	804	2506
	Reefton Water	118	153	618
	District Supplies	277	280	298
Stormwater	Stormwater Upgrades & Replacements, Condition Assessment, Flood Mitigation and Waster/Stormwater Separation	200	363	380
Infrastructure Delivery	Vehicle Replacements	35	36	1
Commercial Infrastructure	Westport Airport	36	18	64
	Westport Harbour and Kawatiri Dredge	0	0	0
<b>Total capital expenditure</b>		<b>10,796</b>	<b>11,262</b>	<b>14,415</b>

# Forecast funding impact statement

## 1. GENERAL RATES

General Rates includes both the general (differential) rate and a uniform annual general charge.

General Rates are used to fund or part fund Democracy, Economic Development, Community Services, Regulatory Services, Property, Roading, Solid Waste Management, Stormwater, Support Services and Airport activities.

### 1.1 General (Differential) Land Rate

The general rate is set and assessed on the land value of all rateable land in the district, on a differential basis based on location, area, land use, and the activities that are permitted, controlled or discretionary for the area in which the land is situated as per the District Plan.

The definition of the differential categories is set out in this Funding Impact Statement, under Part 5.

General Rates (inclusive of GST)

Table 1 – Differentials

General Rate differential categories	Percentage of General Rate	General Rate (cents per \$ land value)
Residential 101	0.996%	0.43789
Residential 102	0.173%	0.33168
Residential 103	0.676%	0.51757
Residential 104	0.849%	0.52668
Residential 105	0.374%	0.65734
Residential 106	19.643%	1.34417
Residential 107	1.505%	1.06299
Residential 108	1.179%	0.89874
Residential 109	0.645%	0.78098
Residential 110	0.519%	0.78680
Residential 111	0.225%	0.28014
Residential 112	0.582%	0.54572
Residential 113	0.410%	0.58645
Residential 114	1.087%	0.69736
Residential 115	2.680%	0.87810
Multi Residential 121	0.031%	1.46050
Multi Residential 122	0.008%	0.90828
Multi Residential 123	1.607%	3.05059
Multi Residential 124	0.065%	2.79419
Multi Residential 125	0.229%	1.71226
Multi Residential 126	0.133%	2.15490
Commercial 131	0.889%	2.38588
Commercial 132	0.222%	1.67018
Commercial 133	1.815%	4.04097
Commercial 134	10.406%	5.28019
Commercial 135	0.130%	2.39015
Commercial 136	0.317%	1.31700
Commercial 138	0.020%	0.21105
Commercial 139	1.241%	1.39888
Commercial 140	0.992%	2.27536
Rural 141	19.379%	0.35325

General Rate differential categories	Percentage of General Rate	General Rate (cents per \$ land value)
Rural 142	1.267%	0.34258
Rural 143	3.928%	0.26473
Rural Residential 151	4.432%	0.51738
Rural Residential 152	3.229%	0.50157
Rural Small Holding 161	1.590%	0.35300
Rural Small Holding 162	0.115%	0.28055
Rural Small Holding 163	0.221%	0.35850
Rural Small Holding 164	0.061%	0.13043
Industrial 172	10.156%	7.97994
Industrial 173	5.427%	2.96575
Industrial 174	0.543%	4.50945
	100.00%	

### 1.2 Uniform Annual General Charge (UAGC)

The Council will set and assess a uniform annual general charge (UAGC) as a fixed amount per rating unit.

The Uniform Annual General Charge will be \$500.00 (inclusive of GST) per rating unit.

#### Expected Yield (Collect)

The expected collect from the general (differential) rate is calculated to be \$8,179,742 (including GST), and the expected collect from the uniform annual general charge is calculated to be \$3,304,500 (including GST), a total of \$11,484,242.

## 2. WATER

Targeted water supply charges and rates are set for each connection within a rating unit, or any rating unit able to be connected within certain scheme areas.

A 'connection' is defined as a rating unit, or each separately used or inhabited portion (SUIP) of a rating unit, which is connected to the water supply in any scheme area, whether the connection is from the main supply line, or from any other line that is connected to the main supply.

The fixed targeted charge is also applied in some scheme areas based on the availability of the service, being rating units which are not connected but are able to be connected ('serviceable'). A rating unit is regarded as serviceable if the rating unit lies within 50 metres of the water reticulation system.

For the Westport, Reefton, Karamea, Mokihinui, Ngakawau/Hector, and Waimangaroa water supplies, only connected properties are rated (there is no set rate or charge for serviceable properties).

\*For the Granity South community water supply, a contribution from the connected properties for the ongoing upkeep of the supply is made and the charge will appear on the rates assessment, but is not a "rate" in terms of the Rating Act.

Refer to the definition of the differential categories set out in Part 5 of this Funding Impact Statement.

Table 2 – Unit rates

Water Supply Scheme Rates	Differential category (refers to use by number of connections)	Differential Factor	Targeted Rate (GST inclusive)
<b>Westport - Multi-residential only</b>			
	1-2	1.00	\$1,097.00
	3	1.70	\$1,864.90
	4	2.30	\$2,523.10
	5	2.80	\$3,071.60
	6	3.20	\$3,510.40
	7	3.60	\$3,949.20
	8	4.00	\$4,388.00
	9	4.40	\$4,826.80
	10	4.80	\$5,265.60
	11	5.20	\$5,704.40
	12	5.60	\$6,143.20
<b>Westport - all other rating sectors</b>			
	1	1.00	\$1,097.00
	2	1.70	\$1,864.90
	3	2.30	\$2,523.10
	4	2.80	\$3,071.60
	5	3.20	\$3,510.40
	6	3.60	\$3,949.20
	7	4.00	\$4,388.00
	8	4.40	\$4,826.80
	9	4.80	\$5,265.60
	10	5.20	\$5,704.40
	11	5.60	\$6,143.20
	12	6.00	\$6,582.00
<b>Reefton - Multi-residential only</b>			
	1-2	1.00	\$1,093.00
	3	1.70	\$1,858.10
	4	2.30	\$2,513.90
	5	2.80	\$3,060.40
	6	3.20	\$3,497.60
	7	3.60	\$3,934.80
	8	4.00	\$4,372.00
	9	4.40	\$4,809.20
	10	4.80	\$5,246.40
	11	5.20	\$5,683.60
	12	5.60	\$6,120.80
<b>Reefton - all other rating sectors</b>			
	1	1.00	\$1,093.00
	2	1.70	\$1,858.10
	3	2.30	\$2,513.90
	4	2.80	\$3,060.40
	5	3.20	\$3,497.60
	6	3.60	\$3,934.80
	7	4.00	\$4,372.00
	8	4.40	\$4,809.20
	9	4.80	\$5,246.40
<b>Water Supply Scheme Rates</b>			
	10	5.20	\$5,683.60
	11	5.60	\$6,120.80
	12	6.00	\$6,558.00
<b>Reefton - major users</b>			
1905006101	1+	2.00	\$2,186.00
1905026900	1+	2.00	\$2,186.00
1905044200	1+	2.00	\$2,186.00
1905044800	1+	2.00	\$2,186.00
1905050000	1+	2.00	\$2,186.00
1905050400	1+	2.00	\$2,186.00
1905051100	1+	2.00	\$2,186.00
1905051400	1+	2.00	\$2,186.00
1905047900	1+	4.00	\$4,372.00
1905049300	1+	4.00	\$4,372.00
1905050700	1+	4.00	\$4,372.00
1905036800	1+	40.00	\$43,720.00
<b>Mokihinui</b>			
Connected (excluding major users)	1	1.00	\$368.00
Major users*	1+	8.00	\$2,944.00
<b>Ngakawau / Hector</b>			
Connected (excluding major users)	1	1.00	\$357.00
<b>Ngakawau / Hector (major users)</b>			
1880002800	1+	3.00	\$1,071.00
1880006100	1+	20.00	\$7,140.00
<b>Waimangaroa</b>			
Connected (excluding major users)	1	1.00	\$1,093.00
<b>Waimangaroa (major users)</b>			
1880034200	1+	2.00	\$2,186.00
1883037500	1+	2.00	\$2,186.00
1883039602	1+	2.00	\$2,186.00
1883044300	1+	3.00	\$3,279.00
1883002000	1+	5.00	\$5,465.00
<b>Little Wanganui</b>			
Connected (excluding major users)	1	1.00	\$316.00
Serviceable	1	0.50	\$158.00
Major users*	1+	14.00	\$4,424.00
<b>Inangahua Junction</b>			
Connected (excluding major users)	1	1.00	\$990.00
Serviceable	1	0.50	\$495.00
Major users*	1+	3.00	\$2,970.00

Water Supply Scheme Rates	Differential category (refers to use by number of connections)	Differential Factor	Targeted Rate (GST inclusive)
<b>Karamea</b>			
Connected (excluding major users)	1	1.00	\$15,541.00
Major users*	1+	2.00	\$31,082.00

\* Definition of major users' differential categories (for other than Reefton)

Rate	Valuation Reference
Little Wanganui subdivision	1878035600
Mokihinui	1879001700
Inangahua Junction	1901009300
Karamea	1878015700
Inangahua Junction	1901009300

**\*For the Granity South Water Supply, the contribution from the connected properties is set at \$288.00 (incl GST) for the 2022-23 year.**

## 2.1 Metered Water Supplies

### 2.1.1 Cape Foulwind Rural Water Supply

A targeted rate is set to fund the Cape Foulwind Rural Water Supply. Each farm connection is charged for consumption at a rate of \$0.63 (inclusive of GST) per cubic metre (m<sup>3</sup>).

### 2.1.2 Westport Metered Water Supply

The Council sets two rates for Westport Metered Water Supply.

A targeted rate is set for each connection to the Westport water supply through a meter. The rate is set as a fixed amount for each connection at \$1,097.00 (inclusive of GST). Note that consumers on the metered supply may opt to pay for more targeted rates than the number of connections to a property and be charged accordingly, with the annual allowance also being calculated accordingly.

Each metered supply is then charged at a rate of \$2.85 (inclusive of GST) per cubic metre (m<sup>3</sup>) for consumption over the allowance of 400m<sup>3</sup> for each targeted rate paid per annum.

### 2.1.3 Reefton Metered Water Supplies

Council is considering options to introduce metered water supply for extraordinary users.

## 2.2 Punakaiki Water Supply

A targeted rate is set for each rating unit that is connected to the Punakaiki water supply.

The rate is set on a differential basis, based on use of the rating unit. The rate for differential factor 1.0 is \$1,188.00 per connection (including GST).

**Table 2.2A – General description of differential categories and differential factor**

Differential category	Differential factor	Targeted Rate (GST inclusive)
(A) Section only	0.5	\$594.00
(B) Single residential dwelling	1.0	\$1,188.00
(C) Department of Conservation Depot	1.0	\$1,188.00
(D) Two residential dwellings or one residential dwelling and a lodge on one rating unit	2.0	\$2,376.00
(E) Motel complex of more than 4 units	2.0	\$2,376.00
(F) Hostel (backpackers)	4.0	\$4,752.00
(G) Tavern, motel complex, and dwelling	6.0	\$7,128.00
(H) Camping ground	11.0	\$13,068.00

**Table 2.2B – Categorisation of each property**

The following table lists the properties (by valuation reference) that fall within each of the above categories:

Category	Valuation reference(s)
A	1886017702, 1886029000, 1886029001, 1886029003, 1886029007, 1886029013, 1886029015, 1886029019, 1886029024, 1886029027, 1886029029, 1886029030
B	1886016900, 1886016901, 1886017000, 1886017100, 1886017101, 1886017200, 1886017201, 1886017300, 1886017400, 1886017500, 1886017700, 1886017701, 1886017800, 1886017900, 1886018000, 1886018400, 1886018500, 1886018600, 1886018700, 1886018900, 1886019200, 1886019201, 1886019400, 1886019500, 1886019600, 1886019700, 1886019800, 1886019900, 1886028700, 1886028900, 1886029002, 1886029004, 1886029006, 1886029008, 1886029009, 1886029010, 1886029012, 1886029014, 1886029017, 1886029018, 1886029020, 1886029025, 1886029026, 1886029031, 1886029033, 1886029034, 1886029035, 1886029036, 1886031601, 1886031602, 1886031604, 1886031607, 1886031609, 1886031610, 1886031611, 1886031614, 1886031615
C	1886018001
D	1886029021, 1886029023, 1886029028
E	1886019000
F	1886018100
G	1886031616
H	1886031200

Any future change to the use of any property within the Punakaiki water supply which results in a change to the use (as set out in Table 2.2A) will result in a change to the differential category the property is in, from the next rating year.

Council may require any user on the water supply to have a meter installed, if it deems it necessary to do so, in the interests of fairness within the supply area.

**Expected Yield (Collect)**

The expected collect for each of the Water Supply areas (GST inclusive) is:

Water Supply Area	Collect
Little Wanganui Subdivision	\$24,395
Mokihinui	\$17,296
Ngakawau-Hector	\$62,118
Waimangaroa	\$154,113
Westport	\$3,039,677
Reefton	\$733,731
Punakaiki	\$110,484
Inangahua Junction	\$31,185
Cape Foulwind	\$85,000
Karamea Restricted	\$46,623

**3. Sewage Disposal**

Targeted sewage disposal charges and rates are set for each connection within a rating unit, or any rating unit able to be connected within certain scheme areas, as follows.

The rates are set on the number of connections, with a differential applied for each rate based on the use of the rating unit.

A 'connection' is defined as a rating unit, or each separately used or inhabited portion (SUIP) of a rating unit, which is connected to the disposal line in any scheme area, whether the connection is to the main disposal line, or from any other line that is connected to the main disposal line.

A differential is also applied based on the availability of the service. The categories applied are rating units connected to the disposal system, and rating units within certain scheme areas which are not connected but are able to be connected ("serviceable"). A rating unit is regarded as serviceable if it is within 30 metres of the sewerage reticulation system.

For the Westport and Reefton, only connected properties are rated (there is no differential for serviceable properties) with the exception of those properties able to be connected to the Orowaiti sewerage upgrade to the Westport Scheme. Those properties (within that upgrade area) which are serviceable but not connected shall pay the full service charge(s) applicable to that scheme.

Refer to the definition of the differential categories set out in Part 5 of this Funding Impact Statement.

**Table 3 – Unit rates**

Sewage Disposal Scheme Rates	Differential category (refers to use by number of connections)	Differential Factor	Targeted Rate (GST incl)
<b>Westport - Multi-residential only</b>			
	1-2	1.00	\$1,103.00
	3	1.70	\$1,875.10
	4	2.30	\$2,536.90
	5	2.80	\$3,088.40
	6	3.20	\$3,529.60
	7	3.60	\$3,970.80
	8	4.00	\$4,412.00
	9	4.40	\$4,853.20
	10	4.80	\$5,294.40
	11	5.20	\$5,735.60
	12	5.60	\$6,176.80

Sewage Disposal Scheme Rates	Differential category (refers to use by number of connections)	Differential Factor	Targeted Rate (GST incl)
<b>Westport - all other rating sectors</b>			
	1	1.00	\$1,103.00
	2	1.70	\$1,875.10
	3	2.30	\$2,536.90
	4	2.80	\$3,088.40
	5	3.20	\$3,529.60
	6	3.60	\$3,970.80
	7	4.00	\$4,412.00
	8	4.40	\$4,853.20
	9	4.80	\$5,294.40
	10	5.20	\$5,735.60
	11	5.60	\$6,176.80
	12	6.00	\$6,618.00
<b>Reefton - Multi-residential only</b>			
	1-2	1.00	\$817.00
	3	1.70	\$1,388.90
	4	2.30	\$1,879.10
	5	2.80	\$2,287.60
	6	3.20	\$2,614.40
	7	3.60	\$2,941.20
	8	4.00	\$3,268.00
	9	4.40	\$3,594.80
	10	4.80	\$3,921.60
	11	5.20	\$4,248.40
	12	5.60	\$4,575.20
<b>Reefton - all other rating sectors</b>			
	1	1.00	\$817.00
	2	1.70	\$1,388.90
	3	2.30	\$1,879.10
	4	2.80	\$2,287.60
	5	3.20	\$2,614.40
	6	3.60	\$2,941.20
	7	4.00	\$3,268.00
	8	4.40	\$3,594.80
	9	4.80	\$3,921.60
	10	5.20	\$4,248.40
	11	5.60	\$4,575.20
	12	6.00	\$4,902.00
<b>Little Wanganui</b>			
Connected	1	1.00	\$886.00
Serviceable	1	0.50	\$443.00

**Expected Yield (Collect)**

The expected collects for each of the sewerage scheme areas (GST inclusive) is:

Sewerage Scheme Area	Collect
Little Wanganui Subdivision	\$54,223
Westport	\$2,803,385
Reefton	\$472,226



## 4. WASTE MANAGEMENT

For the purposes of the cost of providing waste management (refuse and recycling) throughout the district, three zones have been established, each having its own level of service.

The localities of these zones are:

Zone	Locality
1	All of the district except north of the Mokihinui River and east of Blacks Point to which the collection service is provided
2	North of the Mokihinui River (Karamea)
3	East of Blacks Point (Maruia)

The levels of service for each are:

Zone	Locality
1	The provision of a collection service for bins and bags, plus the cost of the waste management disposal area(s) within the zone.
2	The cost of the waste management disposal area(s) within the zone.
3	The cost of the waste management disposal area(s) within the zone.

### 4.1 Waste Management - Zone 1

The cost of providing recycling and refuse collection is recovered from those properties that are on the service collection route, in the form of a targeted annual waste management rate of a fixed amount per set of two bins (one wheelie bin and one basket) delivered to those properties within the Zone 1 area.

Thus, any property that has been delivered more than one set of bins, is deemed to be receiving the service for each of those sets of bins, and shall be liable for the fixed amount for each set of bins delivered to the property.

The bins are used for the fortnightly recycling collection, while bags are available for purchase at various district outlets for the use of weekly refuse collection.

The annual targeted waste management rate for Zone 1 will be **\$158.00** per set of two bins (including GST).

### 4.2 Waste Management - Zone 2

The cost of providing a waste management landfill activity within the Zone 2 area is recovered from those rating units within the area.

The annual targeted waste management rate for Zone 2 will be **\$138.00** per rating unit (including GST).

### 4.3 Waste Management - Zone 3

The cost of providing a waste management landfill activity within the Zone 3 area is recovered from those rating units within the area.

The annual targeted waste management rate for Zone 3 will be **\$302.00** per rating unit (including GST).

#### Expected Yield (Collect)

The expected collects for each of the solid waste areas (GST exclusive) are:

Solid Waste Area	Collect
Zone 1	\$800,270
Zone 2	\$80,868
Zone 3	\$35,938

#### Lump sum contributions

The Council does not accept lump sum contributions in respect of any of the targeted rates.

## 5. DIFFERENTIAL CATEGORIES

Note that the first five digits of any valuation reference comprises the valuation roll in which the reference is found.

Also note that subject to the rights of objection to the rating information database set out in Section 29 of the Local Government (Rating) Act 2002, the Council is the sole determiner of the categories applied to a rating unit.

### Residential Categories

Rating units, or parts of rating units, being less than 4,000 square metres in area, having no more than one residential dwelling, and being primarily used for, or able to be used for, residential living.

#### Residential 101

Includes residential rating units, or parts of rating units, within the valuation rolls numbered 18780 (but excluding the Little Wanganui Subdivision); 18800 (but excluding the township of Granity); 18820; 18830 (but excluding the townships of Waimangaroa and Conns Creek); 18840 (but excluding the settlement of Snodgrass, and those properties in the greater Westport area to the west of the Orowaiti River); 19000; 19010; 19040; 19080; and 19081.

#### Residential 102

Includes residential rating units, or parts of rating units, within the valuation roll numbered 18810, plus the settlement of Snodgrass.

#### Residential 103

Includes the residential rating units, or parts of rating units, within the valuation roll numbered 18790 (but excluding the township of Hector), plus the Little Wanganui Subdivision, and Conns Creek.

#### Residential 104

Includes the residential rating units, or parts of rating units, on the inland side of the State Highway 67 in the townships of Hector, Ngakawau, and Granity, plus the township of Waimangaroa.

#### Residential 105

Includes the residential rating units, or parts of rating units, on the seaward side of the State Highway 67 in the townships of Hector, Ngakawau, and Granity.

#### Residential 106

Includes the residential rating units, or parts of rating units, within the valuation rolls numbered 18840, 18950, 18960, and 18970 (but not including any properties to the east of the Orowaiti River or south of Stafford Street, and those properties on Orowaiti Road, Morgans Lane, Forbes, Coates, and Shelswell Streets, and selected properties at the northern end of Derby Street).

#### Residential 107

Includes the residential rating units, or parts of rating units, on Orowaiti Road, Morgans Lane, Forbes, Coates, and Shelswell Streets, and selected properties at the northern end of Derby Street and including Beach Drive.

#### Residential 108

Includes the residential rating units, or parts of rating units, within the township of Carters Beach (but excluding those properties located on Marine Parade).

**Residential 109**

Includes the residential rating units, or parts of rating units, within the township of Carters Beach located on Marine Parade and in the Elley Drive subdivision.

**Residential 110**

Includes the residential rating units, or parts of rating units, within the valuation roll numbered 18850 (but excluding the townships of Carters Beach, Omapu, and Tauranga Bay and valuation reference 1885022301).

**Residential 111**

Includes the residential rating units, or parts of rating units, within the valuation roll numbered 18860 (but excluding the townships of Charleston and Punakaiki and the Ross Subdivision).

**Residential 112**

Includes the residential rating units, or parts of rating units, within the townships of Omapu and Tauranga Bay, plus valuation reference 1885022301.

**Residential 113**

Includes the residential rating units, or parts of rating units, within the township of Charleston.

**Residential 114**

Includes the residential rating units, or parts of rating units, within the township of Punakaiki and the Ross Subdivision.

**Residential 115**

Includes the residential rating units, or parts of rating units, within the valuation roll numbered 19050.

**Multi Residential**

Rating units that have more than the one dwelling, excluding farm properties and communal residences. Where practicable, Council may have the rating unit divided into each of its separate uses, so each division can be assessed for rates in a different differential category.

**Multi Residential 121**

Includes those rating units under valuation references 1878011803, 1878018300BB, and 1908009900.

**Multi Residential 122**

Includes the rating unit under valuation reference 1878037247.

**Multi Residential 123**

Includes the multi-residential rating units within the valuation rolls numbered 18840; 18950; 18960; and 18970.

**Multi Residential 124**

Includes those rating units within the valuation roll numbered 18860.

**Multi Residential 125**

Includes those multi-residential rating units within the valuation roll numbered 18850.

**Multi Residential 126**

Includes those multi-residential rating units within the valuation roll numbered 19050.

**Commercial**

Rating units, or portions of rating units, used primarily for, or able to be used in terms of the District Plan for, carrying out a commercial or trading enterprise, including retail and/or wholesale, community, personal, business and repair services, offices, hotels, motels, camps and air transport.

**Commercial 131**

Includes commercial rating units, or parts of rating units, within the valuation rolls numbered 18780; 18820; 19000; 19010; 19040; 19080; and 19081; and that rating unit under valuation reference 1884018701.

**Commercial 132**

Includes commercial rating units, or parts of rating units, within the valuation rolls numbered 18790; 18800; 18810; and 18830.

**Commercial 133**

Includes commercial rating units, or parts of rating units, within the valuation rolls numbered 18840 (excluding 1884018701); 18960; and 18970.

**Commercial 134**

Includes commercial rating units, or parts of rating units, within the valuation roll numbered 18950.

**Commercial 135**

Includes the rating unit under valuation references 1885002400BB and 1885022400.

**Commercial 136**

Includes commercial rating units, or parts of rating units, within the valuation roll numbered 18850 (excluding 1885002400BB and 1885022400).

**Commercial 138**

Includes commercial rating units within the valuation roll 18860, north of the Fox River.

**Commercial 139**

Includes commercial rating units within the valuation roll 18860, south of the Fox River.

**Commercial 140**

Includes commercial rating units, or parts of rating units, within the valuation roll numbered 19050.

**Rural**

Properties being 10 hectare or greater, used exclusively or principally for agricultural, horticultural, and/or pastoral purposes, including forestry, or vacant land that is able to be used for such purposes in terms of the District Plan.

**Rural 141**

Includes rural rating units, or parts of rating units, within the valuation rolls numbered 18780; 18810; 18820; 18830; 18840; 18950; 18960; 18970; 19000; 19010; 19040; 19050; 19080; and 19081.

**Rural 142**

Includes rural rating units, or parts of rating units, within the valuation rolls numbered 18790; and 18800.

**Rural 143**

Includes rural rating units, or parts of rating units, within the valuation rolls numbered 18850; and 18860.

**Rural Residential:**

Properties being greater than 4,000 square metres but less than 4 hectare, primarily used for the purpose of residential living.

**Rural Residential 151**

Includes rural residential rating units, or parts of rating units, within the valuation rolls numbered 18780; 18810; 18820; 18830; 18840; 18950; 18960; 18970; 19000; 19010; 19040; 19050; 19080; and 19081.

**Rural Residential 152**

Includes rural residential rating units, or parts of rating units, within the valuation rolls numbered 18790; 18800; 18850; and 18860.

**Rural Small Holding:**

Properties being greater than 4 hectare but less than 10 hectare, used exclusively or principally for agricultural, horticultural and/or pastoral purposes, including forestry.

**Rural Small Holding 161**

Includes rural small holding rating units, or parts of rating units, within the valuation rolls numbered 18780; 18810; 18820; 18830; 18840; 18850; 18950; 18960; 18970; 19000; 19010; 19040; 19050; 19080; and 19081.

**Rural Small Holding 162**

Includes rural small holding rating units, or parts of rating units, within the valuation rolls numbered 18790; and 18800.

**Rural Small Holding 163**

Includes rural small holding rating units, or parts of rating units, within the valuation roll numbered 18860 (but excluding those units within the valuation reference ranges 1886003000 to 1886003600 and 1886023800 to 1886027700).

**Rural Small Holding 164**

Includes rural small holding rating units, or parts of rating units, within the valuation reference ranges of 1886003000 to 1886003600 and 1886023800 to 1886027700.

**Industrial Coal**

Properties used primarily in the extraction, storage, and/or distribution of coal.

**Industrial 172**

includes those industrial rating units, or parts of rating units, that fall within the definition of Industrial Coal above.

**Industrial Other**

Properties used primarily in the following, as well as all associated land and buildings related to:

- storage sites (except those associated with the three other industrial categories); or
- transport (road, rail, sea), excepting those properties defined as Industrial Harbour; or
- utility services (communications, electricity, gas, water, sanitation); or
- the manufacture of food, drink, and tobacco; or
- the processing of textiles, leather, and fur; or
- the processing of timber products, including manufacturing and storage sites (ie sawmills and timber yards, wooden articles of manufacture such as furniture); or
- all other types of mining, not included in the sectors defined as Industrial Coal; or
- engineering, metalwork appliances, and machinery works; or
- chemicals, plastics, rubber, and paper manufacture; or
- other manufacturing industries not defined above; or
- depots and yards of contractors, central and local government; or
- demolition, and fumigation and pest control firms; or
- vacant land designated for the primary purpose of industrial use

**Industrial 173**

Includes those industrial rating units, or parts of rating units, that fall within the definition of Industrial Other above.

**Industrial harbour**

Properties used for harbour and associated activities.

**Industrial 174**

Includes those industrial rating units, or parts of rating units, that fall within the definition of Industrial Harbour above.

**SUIP (SEPARATELY USED OR INHABITED PART) OF A RATING UNIT - DEFINITION****A separately used or inhabited part of a rating unit includes:**

- Any part or parts of a rating unit that is used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement, or
- Any part or parts of a rating unit that is/are used or occupied by the ratepayer for more than one single use.

**Examples of separately used or inhabited parts of a rating unit include:**

- A residential property that contains two or more separately occupiable units, flats or houses, each of which is separately inhabited or is capable of separate inhabitation.
- A commercial, or other non-residential property containing separate residential accommodation in addition to its commercial, farming or other primary use.
- A commercial premise that contains separate shops, kiosks or other retail or wholesale outlets, each of which is operated as a separate business or is capable of operation as a separate business.
- An office block which contains several sets of offices, each of which is used by a different business or which is capable of operation as separate businesses.

**Council recognises that there are certain instances where the above situations will occur, but in circumstances that do not give rise to separate uses or inhabitations. These specific instances are:**

- Where a business, farm, orchard, vineyard or horticultural operation contains accommodation on a rent-free basis for the owner, staff or share-milkers associated with the enterprise's productive operation.
- Where a residential property contains not more than one additional separately inhabited part, or where members of the owners family inhabit the separate part on a rent-free basis.
- Where an orchard, vineyard or horticultural operation contains a stall for the sale of goods produced solely by the operation.

# Rating examples

SECTOR Location	Res 101 Karamea	Res 103 Little Wanganui	Res 103 Mokihinui	Res 103 Seddonville	Res 104 Hector	Res 104 Waimangaroa
Land value	\$50,000	\$63,000	\$57,000	\$37,000	\$48,000	\$40,000
General rates	220.55	315.16	285.14	185.09	252.72	210.60
UAGC	500.00	500.00	500.00	500.00	500.00	500.00
Targeted Water Rate	0	316.00	368.00	0	357.00	1,093.00
Targeted Sewer Disposal Rate	0	886.00	0	0	0	0
Targeted Solid Waste Rate	138.00	138.00	158.00	158.00	158.00	158.00
<b>TOTAL RATES</b>	<b>\$858.55</b>	<b>\$2,155.16</b>	<b>\$1,311.14</b>	<b>\$843.09</b>	<b>\$1,267.72</b>	<b>\$1,961.60</b>
Comparison to Previous Year	\$806.46	1,971.57	\$1,240.04	\$828.94	\$1,243.37	\$1,940.48
% Change	6.46%	9.31%	5.73%	1.71%	1.96%	1.09%

**KEY:** Res (Residential)   Com (Commercial)   RR (Rural Residential)   Rur (Rural)

SECTOR Location	Res 106 Westport (Brougham)	Res 106 Westport (Russell)	Res 108 Carters Beach	Res 113 Charleston	Res 114 Punakaiki	Res 101 Ikamatua
Land Value	\$75,000	\$59,000	\$85,000	\$80,000	\$170,000	\$33,000
General Rates	1,007.03	792.20	753.00	468.99	1,185.10	145.57
UAGC	500.00	500.00	500.00	500.00	500.00	500.00
Targeted Water Rate	1,097.00	1,097.00	1,097.00	0	1,188.00	0
Targeted Sewage Disposal Rate	1,103.00	1,103.00	1,103.00	0	0	0
Targeted Solid Waste Rate	158.00	158.00	158.00	158.00	158.00	158.00
<b>NET RATES</b>	<b>\$3,865.03</b>	<b>\$3,650.20</b>	<b>\$3,611.00</b>	<b>\$1,126.99</b>	<b>\$3,031.10</b>	<b>\$803.57</b>
Comparison to Previous Year	\$3,612.61	\$3,413.23	\$3,383.20	\$1,086.32	\$2,811.37	\$787.94
% Change	6.99%	6.94%	6.70%	3.74%	7.82%	1.98%

**KEY:** Res (Residential)   Com (Commercial)   RR (Rural Residential)   Rur (Rural)

Refer to pages 77-79 for sector code details.

### 3.1: Draft Annual Plan 2022-2023

#### | RATING EXAMPLES |

SECTOR Location	Res 115 Reefton	Res 101 Springs Junction	Com 131 Karamea	Com 134 Westport	Com 140 Reefton	Rur 141 Karamea
Land Value	\$36,000	\$38,000	\$95,000	\$180,000	\$78,000	\$690,000
General Rates	316.01	167.62	2,265.81	9,501.06	1,774.17	2,437.32
UAGC	500.00	500.00	500.00	500.00	500.00	500.00
Targeted Water Rate	1,093.00	-	-	1,097.00	1,093.00	-
Targeted Sewage Disposal Rate	817.00	-	-	1,103.00	817.00	-
Targeted Solid Waste Rate	158.00	302.00	138.00	158.00	158.00	138.00
<b>NET RATES</b>	<b>\$2,884.01</b>	<b>\$969.62</b>	<b>\$2,903.81</b>	<b>\$12,359.06</b>	<b>\$4,342.17</b>	<b>\$3,075.32</b>
Comparison to Previous Year	\$2,452.15	\$837.39	\$2,694.34	\$11,662.90	\$3,780.17	\$2,852.78
% Change	17.61%	15.79%	7.77%	5.97%	14.87%	7.80%

**KEY: Res (Residential)    Com (Commercial)    RR (Rural Residential)    Rur (Rural)**

SECTOR Location	Rur 143 Cape Foulwind	Rur 141 Grey Valley	RR 151 Karamea	RR 152 Granity	RR 151 Fairdown	RR 162 Alma Road
Land Value	\$1,070,000	\$1,500,000	\$125,000	\$90,000	\$155,000	\$190,000
General Rates	2,848.06	5,298.53	649.51	444.84	805.39	939.10
UAGC	500.00	500.00	500.00	500.00	500.00	500.00
Targeted Water Rate	-	-	-	-	-	-
Targeted Sewage Disposal Rate	-	-	-	-	-	-
Targeted Solid Waste Rate	316.00	158.00	138.00	158.00	158.00	
<b>NET RATES</b>	<b>\$3,664.06</b>	<b>\$5,956.53</b>	<b>\$1,287.51</b>	<b>\$1,102.84</b>	<b>\$1,463.38</b>	<b>\$1,439.10</b>
Comparison to Previous Year	\$3,409.00	\$5,545.99	\$1,202.31	\$1,074.13	\$1,397.38	\$1,389.06
% Change	7.48%	7.40%	7.09%	2.67%	4.72%	3.60%

**KEY: Res (Residential)    Com (Commercial)    RR (Rural Residential)    Rur (Rural)**

Refer to pages 77-79 for sector code details.

# Assumptions

The Buller District Council Draft Annual Plan is based on a number of significant forecasting assumptions. These assumptions include assessments of a number of factors that might impact on Council and the community including a consideration of how the population may change over the medium term, funding of Council services, and the financial environment.

The assumptions are the best reasonable assessment based on current information, but actual results may differ and these differences could be large. Council has therefore, included an assessment of how likely the actual may vary from the assumptions and what impact the variances would have on Council and the community. These are overarching assumptions relating to Council's activities. In addition to these assumptions, activity specific assumptions are found within each of the activity sections.

Assumption	Description of risk	Level of uncertainty	Financial Impact	Impact
<b>1. Population growth:</b>				
<p>In the Long Term Plan for 2021-2031, the Council assumed that the normally resident population as at 1 July 2021 would in the region of 9,600 persons and that, based on Infometrics predictions, there would be small ongoing reductions in population.</p> <p>The Statistics NZ March 2018 census recorded a total of 9,591 person as being normally resident in the district.</p> <p>For the purposes of this Draft Annual Plan we have assumed that the normally resident population as at 1 July 2022 is in the region of 9,600 persons.</p>	Low population growth may impact on the affordability and scale of Council projects and operations.	Medium	Low	Council will need to reassess the growth rates and whether its projects need to be brought forward or delayed as part of each year's Annual Plan or Long Term Plan.
<b>2. Inflation/price changes:</b>				
In preparing the Draft Annual Plan Council has utilised the inflation factors as provided by Business and Economic Research Limited (BERL) and adjusted where necessary for localised inflation data. The roading budgets have been aligned to the approved 2021-2024 Waka Kotahi/NZTA roading programme. As such no further escalation has been applied to these budgets.	That inflation is higher or lower than predicted.	Medium to low	High	<p>There is likely to be some variation in the actual rates of inflation from those assumed and this will impact on the financial results of Council.</p> <p>If the variances are significant, Council may need to consider either increasing or decreasing rates and charges or the levels of services for activities.</p> <p>For example, Council planned to spend \$331m in operating expenditure and \$96m in capital over the term of the 2021-2031 Long Term Plan. A 1% movement in inflation could increase or decrease costs by an average of approximately \$427,000 p.a. There would also be an impact on debt levels.</p>

## | ASSUMPTIONS |

Assumption	Description of risk	Level of uncertainty	Financial Impact	Impact
<b>3. New Zealand Transport Agency funding:</b>				
<p>The New Zealand Transport Agency/ Waka Kotahi financial assistance rate (FAR) provided to Council's roading programmes is currently 72% for local roads and 100% for assistance for the Karamea Special Purpose Road (SPR).</p> <p>A special funding assistance rate applies for flood recovery. For the July flooding, this is 92% for a portion of local roads, and 100% for the SPR. The February flood event funding assistance rate is yet to be agreed at the time of writing this Draft Annual Plan.</p> <p>This Draft Annual Plan assumes that the local roads financial assistance rate will be 72% and the SPR rate will be 100% throughout 2022 - 2023 for business as usual activities of Council.</p>	That the government will reduce the subsidy available to Councils.	Medium	High	<p>Any decrease in NZTA/Waka Kotahi funding will require Council to make a decision of whether to increase funding from rates, reduce service levels, remove projects from the Long Term Plan or apply a mix of these options.</p> <p>The most likely response would be a reduction in roading expenditure. A 1% drop in the FAR rate would require a reduction of \$150,000 in subsidised expenditure.</p>
<b>4. Karamea Special Purpose Road</b>				
<p>NZTA/Waka Kotahi has indicated to Council that it is proposed that the Karamea Special Purpose Road will lose its designation and revert to a local road from July 2024. Council has taken the position that it will not accept ownership of the Karamea SPR as a local road in 2023-2024.</p> <p>The transition of SPR to district Councils is a national Waka Kotahi/NZTA initiative affecting many communities around the country. To Council's knowledge, the legalities of what may happen should there be dispute between local government and the government's transport agency has not been tested. Considerations of the four well-beings would be front of Council's opinion in order to avoid additional burden to ratepayers. Strategically it also makes sense for the SPR to be reinstated as a state highway (as it previously was) considering the iconic tourist destinations (including Oparara Arches and Heaphy Track), as well as new government funded initiatives such as Pounamu Pathway, relying on a national network approach.</p>	Financial assistance rate may reduce. Additional costs associated with this road may not be funded by subsidy.	High	High	<p>Because the SPR traverses unstable terrain through the Karamea bluff section, there is an unquantifiable risk and funding uncertainty for the road controlling authority. Should the SPR be included under the local road network, ratepayers may be required to fund unplanned significant maintenance and capital projects. This could increase rates, particularly if expenditure is due to necessary repairs or improvements that do not meet the NZTA/Waka Kotahi definition of emergency works.</p> <p>The impact to ratepayers to fund the SPR beyond mid-2024 remains uncertain and extremely difficult to estimate. The programmes (options) considered under the NZTA draft transition plan range from no ratepayer contribution (e.g. retain 100% subsidy) to inclusion under the funding assistance rate, noting the percentage for Buller may change at the next triennial.</p> <p>Based on the cost estimates included in the Long Term Plan for maintaining the SPR, the impact of the proposal to revert it to a local road equates to an additional \$3.04 million to total rates for Council over the remaining seven years of the 2021-2031 Long Term Plan. However, this is not considered to be the likely impact to ratepayers under the scenario the SPR reverts to as options will need to be worked through with a view to avoiding additional burden to ratepayers.</p>



## | ASSUMPTIONS |

Assumption	Description of risk	Level of uncertainty	Financial Impact	Impact
<b>5. One network roading classification</b>				
<p>A joint initiative between the NZTA/ Waka Kotahi and Local Government New Zealand has introduced a road classification system for all roads in New Zealand. The classification system aims:</p> <ul style="list-style-type: none"> <li>■ to deliver similar driving experience across New Zealand</li> <li>■ to support more consistent asset management across the country</li> <li>■ to make collaboration and prioritisation between those organisations responsible for the planning, delivery, operation, and maintenance of the nation's roading network, leading to a more efficient and safer network and improved value for money.</li> </ul> <p>This will introduce different levels of service across roads of different classification.</p> <p>Council has assumed that there will be no change in the levels of service currently provided.</p>	Financial assistance rate may reduce depending on the levels of funding agreed to be provided by NZTA.	Low	Medium	<p>Council will be faced with two choices:</p> <ol style="list-style-type: none"> <li>1. Change the current level of service provided to that set by NZTA/Waka Kotahi.</li> <li>2. Fund the difference between the current service level and that proposed by NZTA from ratepayer contributions.</li> </ol>
<b>6. Useful lives of significant assets:</b>				
Council has made a number of assumptions about the useful life of its assets. These assumptions affect the depreciation charge contained within the Plan. The detail for each asset category and asset depreciation rates are reflected in the Statement of Accounting Policies included in this document.	That the lives of assets are materially different from those contained within the Plan.	Low	High	If the life of the assets are materially different from those contained within the plan, the asset values stated in the prospective balance sheet and the profit contained in the prospective statement of comprehensive statement of revenue and expenditure would be affected. If the life was shorter than expected Council might need to replace the asset sooner than planned and this would need to be funded. Council has a long history of managing assets and has asset management practices in place which reduce the likelihood of assets being very different to projections.
<b>7. Significant asset condition:</b>				
Council understanding of condition of its assets underpins the renewal forecasts in the Draft Annual Plan (and also the significant lives of assets discussed above). Council has sufficient information about the condition of its assets to forecast their probable replacement periods. However, further, more detailed information is desirable to further reduce the risk that actual condition varies from the assumed condition.	That condition information is not a sufficiently accurate representation of the actual condition of assets.	Low	High	If the asset condition is substantially worse than expected, then there is an increased risk of unexpected asset failure and the increased costs of repairing assets would need to be funded. These costs are not in the Long Term Plan and Council would need to consider how they should be funded - higher rates, use of cash reserves or debt would be options.
<b>8. Vested assets:</b>				
Council will receive \$50,000 vested assets per annum. Vested assets are engineering assets such as roads, sewers and water mains paid for by developers and vested to Council in completion of the subdivision.	That vested assets may vary from budget.	Medium	Low	Vested assets must be maintained by Council, so if growth is higher than forecast Council will need to increase its budget to maintain those assets. The impact of higher or lower growth is not considered significant.



## | ASSUMPTIONS |

Assumption	Description of risk	Level of uncertainty	Financial Impact	Impact
<b>9. Return on investments:</b>				
It is assumed that the return on investments, including dividends from Council Controlled Organisations and retained earnings on subsidiaries will continue at current level for Buller Recreation and WestReef Services Limited.	That return on investment decreases.	Low	Medium	Higher or lower returns will impact on rates as the income will need to be raised from other sources.
<b>10. Interest rates - external borrowings:</b>				
Council assumed an interest rate of 2.3 - 3.1% across the 10-years of the 2021-2031 Long Term Plan. The 2022-2023 Draft Annual Plan has increased interest rate assumptions to reflect current market expectations that rates will continue to climb on the back of high inflation.	The prevailing interest rate may differ significantly from those estimated.	Medium	High	Increases in interest rates flow through to higher debt servicing costs and higher rates funding requirements.  Council has mitigated these risks with a prudent fixed interest swap programme developed within the limits of Council's Treasury Management Policy. Any new external debt and swaps and the floating portion of existing debt is still exposed to interest rate risk.
<b>11. External borrowings - renewability:</b>				
It has been assumed that Council will be able to renew the existing external loan facility.	Higher interest rates or delay of capital projects.	Low	High	If a loan facility could not be renegotiated with a current debt provider, a change in provider could increase finance costs.
<b>12. Interest rates - term deposits:</b>				
Council had assumed an interest rate range of 0.8-3.3% across the 10 years of the 2021-2031 Long Term Plan.  The 2022-2023 Draft Annual Plan has increased the interest rate assumption for term deposits from 1.33% in the same year of the Long Term Plan to 2.83% to reflect current market expectations that rates will continue to climb on the back of high inflation.	The prevailing rate may differ from those estimated.	Medium	High	Decreases in term deposit interest rates would lower investment income, which would create cash shortfalls in the short-term and could lead to increased general rates in subsequent Annual Plans.
<b>13. Westport Harbour</b>				
All harbour activities including the port and dredging activities are ring-fenced as a separate activity.  All funding and expenditure and surpluses and deficits for the Westport Harbour activity accumulate to a separate reserve and is not ratepayer funded.  Another significant assumption is that a new large commercial operator will be shipping out of the port from 2022-2023. \$2.5 million of revenue for dredging the Westport Harbour to support this has been included, along with associated costs of \$1.7 million. A further cost estimated in the Long Term Plan to be \$2.2 million is required to be spent to bring the dredge up to full working condition capable of providing the necessary dredging, the Long Term Plan had anticipated \$1 million of external party funding towards these works with the balance to be funded by way of a loan.	Westport Harbour does not perform as expected, creating greater cash losses or surpluses than predicted.  If the large commercial operation did not proceed then Council would not receive this revenue but nor would it incur these costs.	Medium	High	There may be greater than predicted cash surpluses or losses, impacting the level of cash held by Council. If losses are greater than predicted Council may be required to consider loan funding or rate funding the activity in the future.  If the large commercial operation did not proceed Council would have the option of using the dredge for out-port dredging (as has been done in the past few years) or it may consider other options such as selling the Kawatiri dredge. If the alternative net revenue is less than predicted in the Long Term Plan Council may be required to consider loan funding or rate funding the shortfall.

## | ASSUMPTIONS |

Assumption	Description of risk	Level of uncertainty	Financial Impact	Impact
<b>14. Natural Disaster:</b>				
<p>The 2021-2031 Long Term Plan has assumed there would be limited events during the term of the plan and that such events would not be significant.</p> <p>Subsequent to the finalisation and adoption of the Long Term Plan Buller District suffered in mid-July 2021 a one in 60 year flood event that caused significant displacement of the Westport Community and damage to the district's infrastructure.</p> <p>Two further flooding events occurred in February 2022 and those two combined are being treated as a separate flooding event. Total estimates of damages from the July and February flood events are in the order of \$50 million.</p> <p>The National Emergency Management Agency (NEMA) funds 60% of eligible infrastructure repair costs (non-roading) following natural disasters. At the time of preparing the 2022-2023 Draft Annual Plan Council staff are working with staff at NEMA and the Department of Internal Affairs on a request for additional funding support from central government to assist with the costs of repairing infrastructure damaged during the events. In preparing the 2022-2023 Draft Annual Plan the assumption had been made that the remaining 40% would be funded.</p> <p>The costs and funding of the flood recovery work has been left out of the Draft Annual Plan, based on the assumption it is fully funded externally so no impact on rates or debt, and that any carrying costs associated with lags in funding and payment of costs would be merely timing and immaterial.</p> <p>Prior to adoption of the Draft Annual Plan Council were notified that Council would have to contribute \$173,850 for each event and that this cannot be sought from central government.</p> <p>The Draft Annual Plan does not provide for any further significant events.</p>	<p>That there is a significant natural disaster in the District, such as flooding, earthquake or fire.</p> <p>That Council is unable to secure external funding for the full 40% remaining infrastructure repair costs.</p> <p>Council's carrying costs for flood recovery expenditure are prolonged and material.</p>	Medium	High	<p>Council has adequate insurance to cover natural disasters.</p> <p>However, in the event of another significant event Council will need to re-evaluate its work programme and implement disaster recovery plans.</p> <p>If Council is unable to secure external funding for its 40% share of the flood recovery infrastructure repair costs for the July 2021 and February 2022 events this then becomes a cost to Council and the community.</p> <p>Initially this will involve reliance on debt funding that would result in breaching the debt limit imposed in the Financial Strategy of the 2021-2031 Long Term Plan, and an evaluation of which assets are able to be returned 100% to service, and reprioritisation of the programme of work provided for in the plan and subsequent years of the Long Term Plan.</p> <p>It is highly likely in the event Council has to fund the 40% that rates will go up in subsequent Annual Plans and levels of service may alter.</p>

## | ASSUMPTIONS |

Assumption	Description of risk	Level of uncertainty	Financial Impact	Impact
<b>15. Climate change:</b>				
<p>Council uses the Ministry for the Environment (MFE) guidelines set out in Coastal Hazards and Climate Change 2017 for estimating sea level Rise (SLR).</p> <p>Council has commenced work on developing climate change adaption action plans in line with the commitment made in the 2021-2031 Long Term Plan. The first stage is formulating a project plan identifying the key stakeholders and towards the third quarter of 2022, Council will seek to engage with the community on how to shape the plan.</p>	The potential impacts of climate change might lead to increased costs for Council in both responding to events and building greater resilience into infrastructure.	High	High	<p>Climate change is likely to increase the magnitude of some natural hazards in the medium to long term. Therefore, it is important to incorporate risk management in the design of infrastructure supporting new developments to maintain the same level of service throughout the design lifetime.</p> <p>The design of infrastructure for land development and subdivision needs to provide for the potential impact of sea level rise and the increased frequency of extreme weather events.</p> <p>Council has budgeted for protection of infrastructure in this plan.</p>
<b>16. Resource consents:</b>				
<p>It was assumed in the 2021-2031 Long Term Plan that resource consents held by Council would not be significantly altered and any due for renewal during the life of the plan could be renewed accordingly.</p> <p>Subsequent to the adoption of the Long Term Plan, it has become evident that the renewal of elements of the Westport wastewater and sewerage systems is required due to changes in fresh water management policies that do not allow Council to be discharging direct to water.</p> <p>The 2022-2023 Draft Annual Plan has factored in a new capital budget of \$2.2 million in the Westport wastewater scheme to deal with the scope of works necessary to ensure the renewal of consents.</p>	That conditions of Resource Consents are significantly altered and there are accordingly significant new compliance costs or consents cannot be renewed	Medium	High	<p>Budgets are in place for renewal of resource consents. Any increased compliance costs will be managed through the Annual Plan process.</p> <p>If resource consents are not renewed then Council will need to consider how it delivers these services. These costs could be significant, for example if water extraction rights are not approved.</p>
<b>17. Potential impact of societal changes:</b>				
Council assumes the resident population will decline in line with Infometrics predictions. There will likely be an aging population. The proportion of the population over 65-years is forecast to increase by 22% between 2021 and 2033.	An increase in the age of the population may increase demand for some services and housing and place pressures on rates affordability.	Medium	Low	<p>The plan assumed that the demand for housing for the elderly is adequate and can be met through supply.</p> <p>Council may need to adjust its level of service in some areas to meet expectations.</p> <p>Rates affordability will need to be managed by keeping rates within financial prudence benchmarks, and by carefully managing rates debt.</p>
<b>18. External assumptions - Government legislation:</b>				
It is assumed for the period covered by this Draft Annual Plan that there will be no material changes to existing legislation or additional activity, or compliance requirements imposed by central government, unless specifically outlined within the other assumptions such as water reform (ref below).	Central government requires Council to undertake further activities, without corresponding funding or imposes additional compliance costs on local government	Medium	High	<p>If changes in legislation require Council to provide further services, or significantly increases levels of compliance or operating costs then this will need to be offset by increases in fees and charges, and/or in increases in rates.</p> <p>It is unlikely that government will reduce compliance or legislative costs incurred by Council, but if there was a reduction this would enable Council to reduce rates or fees and charges.</p>

## | ASSUMPTIONS |

Assumption	Description of risk	Level of uncertainty	Financial Impact	Impact
<b>19. Water reforms legislation</b>				
Due to the outcome of the proposed water reforms being unknown at the time of preparing the 2021-2031 Long Term Plan, the assumption across the ten-years of the plan was that Council would retain ownership of its Three Waters assets.	In the current Long Term Plan, there was a staged approach to compliance for ensuring all water supplies met the new standards.	Medium	High	This legislation requires Council to provide further service level improvements and it significantly increases the levels of compliance needed. Costs will need to be funded by increases in rates.
Subsequent to the Long Term Plan the new Water Services Act has been introduced bringing into being Taumata Arowai as the new regulator. This is leading to sector reform; including changes to various performance standards and drinking water standards. These changes are intended to see water services transition into a new regional entity.	This Draft Annual Plan refines the requirements for 2022-2023 but this is balanced against affordability.  The risk of not gaining compliance for all schemes by October 2022 is that Council has non conformance under the Water Services Act.			
<b>20. Repayment of loans</b>				
It has been assumed that the loan from Council to Buller Holdings Limited will not be repaid over the term of the plan.	Inability to service the loan	Low	Low	Debt will be rolled over on an annual basis.
<b>21. Drinking Water upgrades</b>				
The drinking water standard upgrades to rural drinking water supplies is based on an assumption that the central government subsidy will be available to be claimed if the project is not loan funded.	There is a risk that the project may not proceed if funding is not received	Low	High	Provision of safe, clean water may not eventuate if a subsidy is not received. Water schemes may be unaffordable for some communities.
<b>22. Capital projects</b>				
Capital projects are based on an assumption that they will occur when they have been identified in the Draft Annual Plan and for the costs have been identified. However, this assumption has a high level of uncertainty as projects may cost more, or less, due to more or less work needing to be done and/or a project may need to be delayed.	There is a risk of deferral of projects to later years of the Long Term Plan.  There is a risk of a project costing more than budgeted for.	High	Medium	Deferral of a project will lower capital expenditure and any associated loans and finance costs. Depreciation would be lower than rated for.  Conversely if a project cost is higher than provided for associated loans, finance costs and depreciation would increase. This would require formal approval from Council for the overspend and where appropriate would be offset by a deferral or scope saving in other planned projects.

## | ASSUMPTIONS |

Assumption	Description of risk	Level of uncertainty	Financial Impact	Impact
<b>23. One District Plan</b>				
The Te Tai o Poutini Plan (One District Plan Process) is well underway and during this time the statutory powers associated with district plan making have been temporarily transferred to the West Coast Regional Council. The proposal is that the plan will be governed by a joint committee of elected members from all the Councils with support from staff across the region. This transfer is for plan making only and Buller would still require a planning team to process consents and administer the plan. Staff are involved in developing the plan therefore we have maintained status quo in terms of planning resourcing.	Potential loss of local control over key decisions relating to district planning.  Potential legal challenge to plan.	Medium	Low	Buller not having a plan that aligns or reflects the direction the district wishes to head.  Higher costs than Council currently expend on this activity.
<b>24. Covid-19</b>				
That there are no significant Covid-19 restrictions that prevent Council from carrying out its primary functions, or that any effects from Covid-19 do not add any significant costs to Council operation.	That Covid-19 restrictions or effects impact on the ability of Council to carry out its operation or increases cost significantly.	Medium	Medium	Council is unable to carry out some of its planned activities or the cost of providing activities and services increases costs to the ratepayer.
<b>25. Landfill aftercare provision</b>				
Council has budgeted \$40,000 per annum to monitor and undertake any remedial work required on its closed landfills. It is assumed that no significant restoration work is required on its closed landfills beyond what has been budgeted and provided for. In respect of the Karamea and Maruia landfills, which have resource consents (and estimated closing dates) until 2034, Council assumes that there have been no material changes to the assessments to their closure costs since they were last reviewed as part of the 2015-2025 Long Term Plan. In respect to the resource consent for Maruia, this was applied for in April 2021 and is awaiting approval.	Landfill restoration work is required earlier than planned or higher than budgeted.	Low	Low	Council has a provision fund to call on if restoration work is required to be done earlier.

## Price Adjustments for Inflation

The Council is required to provide a 10-year plan adjusted for inflation. The figures within the plan have been adjusted for price movements. The price adjusters used have been derived from those recommended to local government from Business and Economic Research Limited (BERL) adjusted for localised inflation movements around the Three Waters activities. The roading budgets have been aligned to the approved 2021-2024 Waka Kotahi/NZTA roading programme, as such no further escalation has been applied to these budgets.

**The following adjusters have been applied at an activity level based on the nature of the input costs for that activity:**

## Inflation Adjustors: % per annum change

Year ending	June 2023 Long Term Plan	June 2023 Annual Plan
<b>Expense Type</b>		
Roadings*	1.031	1.031
Community activities	1.027	1.027
Three Waters	1.035	1.100
Energy (Local Government Admin)	1.020	1.020
Staff	1.024	1.022
Other (Local Government Admin)	1.020	1.020
Earthmoving	1.041	1.041
Pipelines	1.050	1.100

# Forecast Statement of Reserve Funds

Reserve	Activity that the reserve relates to:	Purpose of reserve	Projected opening balance	Transfer to reserves	Transfer from reserves	Closing balance 2022-2023
			\$000	\$000	\$000	\$000
Amenities Reserve	various not specified	Proceeds from general ratepayer to fund various infrastructure where there was no government subsidy available	365	0	0	365
Community Development - Other	various not specified	Funds from depreciation used for the upgrade and construction of replacement Council assets	3,612	7,285	7,823	3,074
Reserve Contributions	Regulatory	Proceeds from subdivision for public reserve upgrades	1,027	53	176	904
Miles Bequest	Property Management, Amenities & Reserves	Funds set aside for the purchase of engraved seats at the Westport cemetery	0	0	0	0
Powell Bequest	Property Management, Amenities & Reserves	Funds bequested to Council for the purchase of public seating in Westport	0	0	0	0
Mayor's Relief Fund	Democracy	Funds for providing grants for relief at the discretion of the Mayor	7	0	0	7
Boiler Replacement Fund	Property Management, Amenities & Reserves	Funds set aside to go toward replacement of boiler at Brougham Street offices	0	0	0	0
Development Contributions	Regulatory	Proceeds from commercial and industrial development to provide for social and recreation need of the area	119	0	0	119
Sale of Gifted Property	various not specified	Funds set aside from the sale of property gifted to Council	11	0	0	11
Infrastructure Contributions	Regulatory	Funds set aside for upgrading infrastructure where appropriate	10	0	0	10
<b>Total Reserves Only</b>			<b>5,151</b>	<b>7,338</b>	<b>7,999</b>	<b>4,490</b>
Karamea Solid Waste	Solid Waste	Separates all funding and expenditure and surpluses or deficits for each solid waste activity	8	91	90	9
Maruia Solid Waste	Solid Waste	Separates all funding and expenditure and surpluses or deficits for each solid waste activity	(22)	34	31	(19)
Contracted Refuse/ Recycling Operations	Solid Waste	Separates all funding and expenditure and surpluses or deficits for each solid waste activity	(23)	761	739	(1)
Westport Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	(569)	2,804	2,836	(601)
Reefton Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	(412)	638	567	(341)
Little Wanganui Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	26	21	21	26
Mokihinui Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	(3)	15	16	(4)
Ngakawau Hector Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	422	54	12	464
Waimangaroa Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	20	134	134	20
Cape Foulwind Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	581	74	207	448
Punakaiki Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	(643)	96	117	(664)
Inangahua Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	(199)	27	55	(227)
South Granity Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	(60)	6	2	(56)

### 3.1: Draft Annual Plan 2022-2023

#### | FORECAST STATEMENT OF RESERVE FUNDS |

Reserve	Activity that the reserve relates to:	Purpose of reserve	Projected opening balance	Transfer to reserves	Transfer from reserves	Closing balance 2022-2023
			\$000	\$000	\$000	\$000
Karamea Restricted Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	0	0	0	0
Westport Sewerage	Wastewater/ Sewerage	Separates all funding and expenditure and surpluses or deficits for each sewerage scheme	226	2,100	2,231	95
Reefton Sewerage	Wastewater/ Sewerage	Separates all funding and expenditure and surpluses or deficits for each sewerage scheme	367	312	405	274
Little Wanganui Sewerage	Wastewater/ Sewerage	Separates all funding and expenditure and surpluses or deficits for each sewerage scheme	44	54	98	0
Punakaiki Camp	Property Management, Amenities & Reserves	Separates all funding and expenditure and surpluses or deficits for the Punakaiki Camp Activity	(658)	67	85	(676)
Pensioner Housing	Property Management, Amenities & Reserves	Separates all funding and expenditure and surpluses or deficits for Pensioner Housing	(23)	335	540	(228)
Dog Control	Regulatory	Separates all funding and expenditure and surpluses or deficits for the dog control activity	(270)	218	217	(269)
Westport Harbour	Commercial Infrastructure	Separates all funding and expenditure and surpluses or deficits for the Westport harbour activity	(540)	2,754	2,695	(481)
Total separate balances only			(1,728)	10,595	11,098	(2,231)
Total reserves and separate balances			3,423	17,933	19,097	2,259

#### Please note:

Reserves and separate balances are not disclosed separately within the financial statements. The Reserves total in this note reconciles to the reserve component of equity in the financial statements. The separate balances total in this note is not included in reserves within equity but is included within the accumulated funds component of equity in the financial statements.



# Statement of Accounting Policies

## Statement of responsibility and cautionary note The 2022-2023 Draft Annual Plan was authorised for issue by Council on 14 April 2022.

The purpose of this Draft Annual Plan is to consult with the community on the planned activities and expenditure of Council over the next year. The use of this information for other purposes other than for which it was prepared may not be appropriate.

The Council is responsible for the prospective financial statements presented, including the appropriateness of the underlying assumptions and related disclosures. Actual financial results achieved for the period covered may vary from the information presented, and the variations may be material. There are no actual financial results incorporated into these prospective financial statements.

The prospective financial statements comply with Tier 1 Public Benefit Entity (PBE) Accounting Standards (including PBE FRS 42 – Prospective Financial Statements). The prospective financial statements have been prepared using the best information available at the time they were prepared.

## Reporting entity

The Buller District Council is a territorial local authority governed by the Local Government Act 2002.

The Buller District Council provides local infrastructure, local public services and provides regulatory functions to the community. The Council does not operate to make a financial return. Accordingly, Buller District Council has designated itself as a Public Benefit Entity for financial reporting purposes.

The prospective financial statements of Buller District Council are for the year ended 30 June 2023.

## Basis of preparation

The prospective financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period and there have been no changes in accounting policies during the financial year. The financial statements have been prepared on a historical cost basis, modified by the revaluation of certain infrastructural assets, investment property and financial instruments.

## Statement of compliance

The prospective financial statements of Buller District Council have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 95 and Part 2 of schedule 10, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP). The prospective financial statements have been prepared in accordance with Tier 1 PBE accounting standards. These prospective financial statements are presented and comply with PBE accounting standards.

## Presentation currency and rounding

The prospective financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$1,000) unless stated. The functional currency of Buller District Council is New Zealand dollars.

## Standards and amendments, issued and will be adopted

The following new standards, interpretations and amendments have been issued that will be effective for the reporting period covered by this Draft Annual Plan.

- **Financial instruments** In March 2019 the XRB issued PBE IPSAS 41 Financial Instruments, which supersedes PBE IFRS 9 Financial Instruments and PBE IPSAS 29 Financial Instruments: Recognition and Measurement. PBE IFRS 9 is effective for annual periods beginning on or after 1 January 2022. The main changes under PBE IPSAS 41 are new financial asset classification requirements for determining whether an asset is measured at fair value or amortised cost, a new impairment model for financial assets based on expected losses, which may result in the earlier recognition of impairment losses, and revised hedge accounting requirements to better reflect the management of risks. The sections of the statement of accounting policies covered by the new standard will be reviewed and updated as part of the Annual Report 30 June 2022. No material difference in accounting treatment is anticipated in the forecast financial statements of the Draft Annual Plan from any resulting changes in these policies given no movements in the valuations of the underlying financial assets and liabilities have been provided for.
- **Amendment to PBE IPSAS 2 Cash Flow Statement** An amendment to PBE IPSAS 2 requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendment is effective for the year ending 30 June 2022, with early application permitted. This amendment will result in additional disclosures.
- **PBE IPSAS 40 PBE Combinations** PBE IPSAS 40 replaces PBE IFRS 3 Business Combinations. PBE IFRS 3 excluded from its scope combinations under common control and combinations arising from local authority reorganisations. These are now included within the scope of PBE IPSAS 40, through the inclusion of both acquisition and amalgamation accounting. This new standard is effective for the year ending 30 June 2022 and is applied prospectively. The Council will not early adopt this amendment. The prospective financial statements contained in this Draft Annual Plan do not contain amalgamated group forecasts.
- **PBE FRS 48 Service Performance Reporting** PBE FRS 48 replaces the service performance reporting requirements of PBE IPSAS 1 Presentation of Financial Statements and is effective for the year ending 30 June 2023, with early application permitted. The Council has not yet determined how application of PBE FRS 48 will affect its statement of service performance. It does not plan to adopt the standard early. This standard does not apply to prospective service performance information.



## Subsidiaries

Subsidiaries are those entities where Buller District Council has the capacity to control their financing and operating policies so as to obtain benefits from the activities of the entity. This power exists where Buller District Council controls the majority voting power of the governing body or where such policies have been irreversibly predetermined by Buller District Council.

The subsidiaries of Buller District Council are Buller Holdings Limited, WestReef Services Limited, Buller Recreation Limited and the Buller Health Trust.

Buller District Council measures the cost of a business combination as the aggregate of the fair values at the date of exchange, of assets given, liabilities incurred or assumed, in exchange for control of the subsidiary plus any costs attributable to the business combination.

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

combination, the difference will be recognised immediately in the surplus or deficit.

The purchase method of consolidation has been used to prepare the consolidated financial statements, which involves adding together like items of assets, liabilities, equity, revenue and expenses on a line by line basis. All significant intra-group balances, transactions, revenue and expenses are eliminated on consolidation.

Buller District Council's investment in its subsidiaries is carried at cost in the Buller District Council's own "parent entity" financial statements.

## Associates

An associate is an entity over which Buller District Council has significant influence and that is neither a subsidiary nor an interest in a joint venture.

Buller District Council accounts for an investment in an associate using the equity method. The investment in an associate is initially recognised at cost and the carrying amount is increased or decreased to recognise the share of the surplus or deficit of the associate.

The Council has one the Denniston Heritage Trust. There is no equity investment and therefore no results are equity accounted for in these prospective financial statements.

## Joint ventures

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control.

Buller District Council has a 50/50 joint venture interest in the Westport Airport Authority with Ministry of Transport.

Buller District Council recognises in its prospective financial statements the assets it controls, the liability and expenses it incurs, and the share of revenue that it earns from the joint venture.

## Revenue

Revenue is measured at the fair value of consideration received. Revenue from the rendering of services is recognised by the reference to the stage of completion of the transaction at balance date based on the actual service provided as a percentage of the total services to be provided.

## Rates revenue

The following policies for rates have been applied:

- General rates, Targeted rates (excluding water-by-meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers that the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.
- Rates arising from late payment penalties are recognised as revenue when rates become overdue.
- Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.
- Rates remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.
- Rates collected on behalf of the West Coast Regional Council (WCRC) are not recognised in the prospective financial statements, as the Council is acting as an agent for the WCRC.

## Other Revenue

Buller District Council receives Government Grants from the New Zealand Transport Authority, which subsidises part of Buller District Council's costs in maintaining the local roading infrastructure. Grants are received from the Ministry of Health for eligible water schemes. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure are fulfilled.

Sales of goods are recognised when a product is sold to a customer. Sales are usually in cash. The recorded revenue is the gross amount of the sale.

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as revenue. Assets vested in Buller District Council are recognised as revenue when control over the asset is obtained.

Rental revenue is recognised on a straight line basis.

Interest revenue is recognised using the effective interest method.

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

## Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred

## Grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure at the time when such application has been received.

Discretionary grants are those grants that Buller District Council has no obligation to award and are recognised as expenditure when a successful applicant has been notified of the Buller District Council's decision.

### Income tax

Income tax expense in relation to the surplus or deficit for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantively enacted by balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill, or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is recognised on taxable temporary differences arising from investments in subsidiaries and associates, and interests in joint ventures, except where the Council can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, using tax rates that have been enacted or substantively enacted by balance date.

Current tax and deferred tax is charged or credited against the surplus or deficit for the period, except when it relates to items charged or credited directly to equity, in which case the tax is dealt with in equity.

### Leases

#### Finance leases

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

At the commencement of the lease term, Buller District Council recognises finance leases as assets and liabilities in the Prospective Statement of Financial Position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether Buller District Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the lease term or useful life, whichever is the shortest.

#### Operating leases

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

### Cash and cash equivalents

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

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

### Trade and other receivables

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment.

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

A provision for impairment of receivables is established when there is objective evidence that Buller District Council will not be able to collect all the amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation and default in payments are indicators that the asset is impaired.

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

### Inventories

Inventories held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at the lower of cost and current replacement cost.

Inventories held for use in the production of goods and services on a commercial basis are valued at the lower of cost and net realisable value. The cost of purchased inventory is determined using the FIFO method.

The write down from cost to current replacement cost or net realisable value is recognised in the surplus or deficit.

### Non-current assets held for sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through the sale transaction rather than through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the surplus or deficit.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have previously been recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

## Financial assets

**Buller District Council classifies its financial assets into the following four categories:**

- Financial assets at fair value through surplus or deficit;
- Held-to-maturity investments;
- Loans and receivables; and
- Fair value through other comprehensive revenue.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in surplus or deficit.

Purchases and sales of investments are recognised on trade date, the date on which Buller District Council commits to purchase or sell the asset. Financial assets are de-recognised when the rights to receive cash flows from the financial assets have expired or have been transferred, Buller District Council having transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

The quoted market price used is the current bid price.

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

### Financial assets at fair value through surplus or deficit

This category has two sub-categories:

- Financial assets held for trading
- Those designated at fair value through surplus or deficit at inception.

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management.

Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the surplus or deficit.

Currently Buller District Council recognises derivative financial instruments in this category.

### Held to maturity investments

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that Buller District Council has the positive intention and ability to hold to maturity.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or de-recognised are recognised in the surplus or deficit.

Currently Buller District Council does not hold any financial assets in this category.

## Loans and receivables

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

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or de-recognised are recognised in

the surplus or deficit. Loans and receivables are classified as "trade and receivables" and "short term investments" in the Prospective Statement of Financial Position.

Investments in this category include loans to subsidiaries and other companies and term deposits.

## Fair value through other comprehensive revenue and expenses

Financial assets at fair value through other prospective comprehensive revenue and expenses are those that are designated into this category at initial recognition or are not classified in any of the other categories above.

### This category encompasses:

- Investments that Buller District Council intends to hold long-term but which may be realised before maturity.
- Shareholdings that Buller District Council holds for strategic purposes. Buller District Council's investments in its subsidiary and associate companies are not included in this category as they are held at cost whereas this category is to be measured at fair value.

After initial recognition these investments are measured at their fair value.

Gains and losses are recognised directly in other prospective comprehensive revenue and expenses except for impairment losses, which are recognised in the surplus or deficit.

Investments in this category include shares in other companies.

### Impairment of financial assets

At each balance sheet date Buller District Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the surplus or deficit.

Any cumulative losses previously recognised in equity will be removed from equity and shown in the surplus or deficit.

### - Term deposits, loans to subsidiaries and associates, and community loans (loans and receivables)

Impairment is established when there is evidence that the Council and group will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation and default in payments are indicators that the asset is impaired.

### - Listed and unlisted shares, listed bonds (fair value through other comprehensive revenue and expense)

For shares, a significant or prolonged decline in the fair value of the shares below its cost is considered to be objective evidence of impairment. For listed bonds, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation and default in payment is considered to be objective evidence of impairment.

## Derivative financial instruments

Buller District Council uses derivative financial instruments to hedge exposure to interest rate risks arising from financing activities. In accordance with its treasury policy, Buller District Council does not hold or issue derivative financial instruments for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each balance date.

The gain or loss on re-measurement to fair value is recognised immediately in surplus or deficit. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged.

The fair value of interest rate swaps is the estimated amount that Council would receive or pay to terminate the swap

at the balance sheet date, taking into account current interest rates and the current creditworthiness of the swap counterparties. The fair value of forward contracts is their quoted market price at the balance sheet date, being the present value of the quoted forward price.

Buller District Council has not adopted hedge accounting to account for its derivative financial instruments.

### Property, plant and equipment

#### Property, plant and equipment consist of:

**Council Assets** – These include land, buildings, plant and machinery, motor vehicles, office equipment, library books and the Airport runway.

**Infrastructure assets** – These include roads, footpaths, traffic facilities, street lights, bridges, culverts, water reticulation, storm water reticulation, sewerage reticulation and landfill.

**Westport Harbour assets** – These include land, buildings, wharves, plant and machinery, office equipment, motor vehicles and harbour vessels.

**WestReef assets** – These include leasehold improvements, plant and equipment, office equipment, office furniture, fittings and computer equipment.

**Buller Health Trust assets** – These include plant and equipment and furniture and fittings.

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

#### Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to Buller District Council and the cost of the item can be reliably measured.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Work in progress is recognised at cost less impairment and is not depreciated.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or loss as they are incurred.

#### Disposals

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposal are included in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

#### Subsequent costs

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

#### Depreciation

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

#### The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Council assets	Depreciation rate (%)	Useful life (Years)
Motor vehicles	15%	7
Office equipment	10% to 50%	2 - 10
Plant and machinery	3.33% to 15%	7 - 30
Buildings	1% to 10%	10 - 100
Library books	10%	10
<b>Airport runway:</b>		
Basecourse	1.3%	75
Seal	5%	20
<b>Westport Harbour assets</b>		
Wharves	1.67%	60
Buildings	2.5%	40
Plant and machinery	3.3% to 10%	10 - 30
Office equipment	20% to 33.5%	3 - 5
Motor vehicles	10% to 20%	5 - 10
Harbour vessels	5% to 6.7%	15 - 20
<b>Infrastructure assets</b>		
<b>Roads:</b>		
Formation	Not depreciated	
Basecourse - unsealed roads	Not depreciated	
Basecourse - sealed roads	1% to 2%	50 - 100
Seal	4% to 12.5%	8 - 25
<b>Footpaths:</b>		
Basecourse	Not depreciated	
Pavement	1.25% to 10%	10 - 80
Traffic facilities	5% to 10%	10 - 20
Street lights	3.33%	30
Bridges	1% to 2%	50 - 100
Culverts	1.11% to 1.25%	80 - 90
<b>Water Reticulation:</b>		
Drains	Not depreciated	
Kerb and channelling	1.25%	80
Pipes	1.10% to 4.10%	25 - 100
Valves, hydrants	1.67%	60
Intake structures	1.11% to 2%	50 - 90



Infrastructure assets	Depreciation rate (%)	Useful life (Years)
Reservoirs	1.25%	80
Resource consents	2.85%	35
Pump stations	2% to 6.67%	15 - 50
Treatment equipment	2% to 6.67%	15 - 50
Tunnels	0.7% to 4%	25 - 150
<b>Stormwater Reticulation:</b>		
Pipes	1% to 1.54%	65 - 100
<b>Sewerage Reticulation:</b>		
Pipes	1% to 1.42%	70 - 100
Treatment plants	1.11% to 6.67%	15 - 90
Pump stations	1.11% to 6.67%	15 - 90
Manholes	1.11%	90

Capital work in progress is not depreciated. The total cost of the project is transferred to Property Plant and Equipment on its completion and then depreciated.

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

### Revaluation

Those asset classes that are revalued are valued on a basis described below. All other asset classes are carried at depreciated historical cost. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

**Council land** - The Airport land was revalued to fair value as determined by market based evidence by an independent valuer. The most recent valuation was performed by Quotable Value with an effective date as at 30 June 2005. Council land is recognised at deemed cost.

**Harbour land** - The Harbour land was revalued to fair value as determined by market based evidence by an independent valuer. The most recent valuation was performed by Quotable Value with an effective date as at 30 June 2005. Harbour land is recognised at deemed cost.

**Infrastructural assets** - The infrastructural assets are valued on a three yearly valuation cycle at fair value determined on a depreciated replacement cost basis with preparation or peer review by an independent valuer. At balance date Buller District Council assesses the carrying values of its infrastructural assets to ensure that they do not differ materially from the assets fair value. The most recent valuation was performed by BECA and the valuation is effective as at 30 June 2019. All infrastructural asset classes carried at valuation were valued. The total value of infrastructural assets valued/peer reviewed by BECA on 30 June 2019 was \$320,371,044.

### Accounting for revaluation

Buller District Council accounts for revaluations of property, plant and equipment on a class of assets basis.

The results of revaluing are credited or debited to an asset revaluation reserve. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the surplus or deficit. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the surplus or deficit, will be recognised first in the surplus or deficit up to the amount previously expensed, and then credited to the revaluation reserve.

## Intangible assets

### Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised in the surplus or deficit when incurred. Costs associated with maintaining computer software are recognised as an expense when incurred.

### Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life.

Amortisation begins when the asset is available for use and ceases at the date that the asset is de-recognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows: Computer software 3 to 5 years 20 to 33.3%.

### Goodwill

Goodwill is initially measured at its cost, being the excess of the cost of the acquisition over Buller District Council's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Goodwill on acquisition of subsidiaries is included in intangible assets by applying the purchase method.

Goodwill arising in business combinations is not amortised. Instead, goodwill is tested for impairment annually. After initial recognition, Buller District Council measures goodwill at cost less any accumulated impairment losses. An impairment loss recognised for goodwill will not be reversed in any subsequent period.

Goodwill is allocated to cash generating units for the purpose of impairment testing. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination, in which the goodwill arose.

### Investment property

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

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

After initial recognition, Buller District Council measures all investment property at fair value as determined annually by an independent valuer. The most recent valuation of investment property was carried out by Quotable Valuations with an effective date as at 30 June 2021.

Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

### Impairment of non-financial assets

Property, plant and equipment assets, measured at fair value are not required to be reviewed and tested for impairment. The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the asset class is revalued.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

Property, plant and equipment, and intangible assets subsequently measured at cost that have a finite useful life are reviewed each balance date for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

Intangible assets subsequently measured at cost that have an indefinite useful life, and goodwill, are not subject to amortisation and are tested annually for impairment.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written-down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in the surplus or deficit.

#### **Value in use for non-cash generating assets**

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

#### **Value in use for cash generating assets**

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return.

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

### **Employee entitlements**

#### **Short term benefits**

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

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

Buller District Council recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that Buller District Council anticipates it will be used by staff to cover future absences.

Buller District Council recognises a liability and expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

#### **Long term benefits**

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

Entitlements that are payable beyond 12 months, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

Likely future entitlements accruing to staff, based on years of service, years to entitlement and the likelihood that staff will reach the point of entitlement; and

The present value of the estimated future cashflows. A discount rate of 1.9%, and a inflation factor of 3.9% were used. The

discount rate is based on the weighted average of Government interest rates for stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long term increase in remuneration for employees.

#### **Superannuation schemes**

##### **- Defined contributions schemes**

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit as incurred.

### **Provisions**

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

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

### **Payables**

Short-term creditors and other payables are recorded at their face value.

### **Borrowings**

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

### **Equity**

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

The components of equity are:

- Retained earnings;
- 
- 

### **Goods and Services Tax (GST)**

All items in the prospective financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Prospective Statement of Financial Position.

The net GST payable, received from the IRD, including the GST relating to investment and financing activities, is classified as an operating cash flow in the Prospective Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

**Cost allocation**

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

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

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using an appropriate cost driver.

**Critical accounting estimates and assumptions**

In preparing these prospective financial statements Buller District Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that form a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

**Classification of property**

The Council owns a number of properties held to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding them. The properties are held for service delivery objectives as part of the Council's social housing policy. The properties are therefore accounted for as property, plant and equipment rather than as investment property.

**Landfill aftercare provision**

The Landfill Aftercare Provision Note (if applicable) discloses an analysis of the exposure of Buller District Council in relation to estimates and uncertainties surrounding the landfill aftercare provision

**Infrastructural assets**

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

- The physical deterioration and condition of an asset, eg, Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets which are not visible such as stormwater, wastewater and water supply pipes that are underground. The risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- Estimating any obsolescence or surplus capacity of an asset; and
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by local conditions, eg, weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or under estimating the annual depreciation charge recognised as an expense in the surplus or deficit. To minimize the risk, Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructure Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of Council's Asset management planning activities, which gives Council further assurance over its useful life estimates.

Experienced independent valuers prepare Council's roading asset revaluations and perform peer review of the three waters revaluations. The last roading revaluation was prepared by BECA on 30 June 2019. The last three waters revaluation was prepared in-house and peer reviewed by BECA on 30 June 2019.

# Fees and Charges

*All figures are GST inclusive unless expressly stated otherwise.*

## LIBRARY

### Archives:

Initial research (for search conducted by library staff) .....	\$20.00 first 15 minutes
Search fee (for search conducted by library staff) .....	\$80.00 per hour

### Rentals:

Books - large print .....	\$0.50
Books - rental titles other than best-seller collection .....	\$1.00
Books - best-seller collection (two week loan only) .....	\$3.00
Magazines .....	\$0.50
Jigsaws .....	\$1.00
DVD .....	\$3.00

### Late returns (per item):

Adult (18+).....	\$0.30 per day to a cap of \$9.90
Youth (15-18).....	\$0.20 per day when more than 8 days overdue, to a cap of \$5.20
Child (under 15) .....	\$0.10 per day when more than 8 days overdue, to a cap of \$2.60
Bestsellers .....	\$0.80 per day to a cap of \$9.60

### Items recovery charge:

Lost/damaged .....	Replacement cost plus \$6.00 processing fee
Item recovery charge.....	\$15.00
(This charge applies to any overdue accounts referred to Council and followed up with a debt collection agency)	

### Requests:

Interloan (reciprocal libraries).....	\$8.00
Interloan (non-reciprocal libraries) .....	\$20.00
Replacement cards .....	\$5.00

### Sales:

Books .....	From \$1.00 - \$5.00
Book covering.....	\$8.00

### Internet printing (from People's Network):

A4 mono .....	\$0.20 per side
A4 colour .....	\$1.00 per side
Charging of mobile devices.....	\$2.00 per device
Re-surfacing of DVDs.....	\$8.00 per DVD

### Photocopying:

A4 mono .....	\$0.20 per sheet
A4 mono double-sided .....	\$0.40 per sheet
A4 colour .....	\$1.00 per sheet
A3 mono .....	\$0.40 per sheet
A3 Mono double-sided .....	\$0.80 per sheet
A3 colour .....	\$2.00 per sheet

### Laminating Costs:

A5 .....	\$1.00 each
A4 .....	\$2.00 each
A3 .....	\$4.00 each

### Hire of Meeting Room

Commercial / business / government department .....	\$138.00 per day
Commercial / business / government department .....	\$69.00 per half day
Non profit / community group.....	\$50.00 per day
Non profit / community group.....	\$25.00 per half day



## | FEES AND CHARGES |

**Housebound service**

Annual charge ..... \$20.00

**Non resident subscription:**

Holiday card (valid up to one month) ..... \$15.00

Subscription membership card (valid six months) ..... \$50.00

**CLOCKTOWER****(excluding tenanted areas, Council Chambers and the Mayor's room)**

Commercial/business/government department (longer term rates by negotiation) ..... \$200.00 per day

Non profit/community group ..... \$50.00 per day, up to a maximum of \$400.00 per event

**NBS THEATRE****Movie admission:**

Adults ..... \$15.00

Student (with ID) ..... \$11.00

Children (primary) ..... \$8.50

Senior citizens (60+) ..... \$10.00

Family ticket (two adults and two children) ..... \$42.50

3-D glasses ..... \$2.50 per pair

**Theatre hire:**

Variable at discretion of Theatre Manager, plus other direct costs - wages, heating ..... \$40.00 per hour

**Daily Theatre hire rate:**

Professional ..... \$1,000.00

Local ..... \$450.00

Arts Council and public meetings ..... \$400.00

Two day hire ..... \$1,000.00

**Green Room hire rate:**

Per hour ..... \$45.00

Daily rate ..... \$150.00

**Fred Gregory Screen Room hire rate:**

Per hour ..... \$45.00

Daily rate ..... \$150.00

**Equipment usage charges:**

Lights ..... \$16.00 per day

Dimmer packs ..... \$27.00 per day

Speakers ..... \$27.00 per day

Microphones, stands, light trees, tape deck, CD player ..... \$11.00 per day

Usher, front of house ..... \$27.00 per hour per person

Laptop, projector and screen ..... \$30.00 per day

Hire of tablecloths ..... \$2.00

Hire of chairs ..... \$4.00

Hire of trestles ..... \$2.00

Staff technician ..... \$37.00 per hour

Additional charges ..... At the discretion of Theatre Manager

## | FEES AND CHARGES |

**REEFTON CINEMA****Movie admission:**

Adults.....	\$15.00
Students (with ID).....	\$11.00
Children (under 16).....	\$8.50
Seniors 60+ .....	\$10.00
Family ticket (two adults and two children) .....	\$42.50
3-D glasses.....	\$2.50 per pair

**Cinema hire:**

Local daily hire .....	\$450.00
Cinema hire .....	\$40.00 per hour
Cinema hire - Arts Council and public meetings .....	\$400.00 per day

**REEFTON COMMUNITY HALL****Hire rate:**

Hire rate to 4:00pm weekdays.....	\$11.00 per hour
Hire rate, nights, weekends, statutory holidays .....	\$22.00 per hour
<i>(Variable at discretion of Staff, plus other direct costs - wages, heating)</i>	

**Reefton plunket Building /Community room:**

Commercial/business/government department .....	\$138.00 per day
Commercial/business/government department .....	\$69.00 per half day
Commercial/business/government department .....	\$20.00 per hour
Non profit/community group.....	\$50 per day
Non profit/community group.....	\$25 per half day
Non profit/community group.....	\$10 per hour

**RESERVES****Reefton Community Hall - sports:**

U16 training.....	\$6.00 per hour
Senior training and U16 competition .....	\$11.00 per hour
Senior competition.....	\$22.00 per hour
Full night hire.....	\$220.00

**Victoria Square:**

Buller Cricket Association.....	\$220.00 per year
Buller Rugby Union.....	\$75.00 + 6% gate per year
Rangimarie Croquet Club .....	\$84.00 per year
White Star Rugby Club .....	\$84.00 per year
Westport Contract Bridge Club.....	\$84.00 per year

**Kilkenny Park:**

Buller Board Riders .....	\$167.00 per year
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**Raynor Park:**

White Star Rugby Club .....	\$84.00 per year
Fire and Emergency NZ.....	\$84.00 per year

**North Beach:**

Westport Pony Club.....	\$84.00 per year
Kawatiri Riding for the Disabled .....	\$84.00 per year
Sunset Speedway Club.....	\$84.00 per year

- **Charges for other events may apply**

**Hall and reserve hire fees:**

Fees and charges are set by the relevant sub-committee

## WESTPORT & REEFTON CEMETERIES

### Plot fees:

Lawn plot.....	\$1136.00
Special Area Plot ( provided for child under 12yrs, including still born child) .....	\$598.00
Ashes plot on ashes berm .....	\$155.00
Headstone or Plaque permit on berm for lawn plot .....	\$147.00
Headstone or Plaque permit on berm for ashes plot.....	\$74.00

### Internment Fees

Internment in lawn Plot .....	\$692.00
Internment for Eco-burial/natural burial – Westport Orowaiti Cemetery only .....	\$692.00
Internment in Special area Plot (child aged under 12yrs) .....	\$178.00
Internment in Special Area Plot or in purchased Lawn Plot (Still born baby) .....	\$64.00
Internment of Ashes for one .....	\$128.00
Internment of Ashes for two .....	\$171.00
In case of double bereavement in one family, internment fee reduced by 33%	
Disinternment.....	\$692.00 + any additional costs
Re internment.....	\$692.00 + any additional costs

### Additional Fees

Internments taking place on Weekend or Public Holiday incur an additional fee .....	\$289.00
Excavation of a grave on Weekend or public Holiday will incur an additional fee of.....	\$365.00

### Documentation Fees

Issue of duplicate of any document or Certificate .....	\$53.00
Cemetery burial records search exceeding 10 minutes of Staff time.....	\$45.00

### Other Cemetery Fees:

Purchase of right of burial in perpetuity each single plot .....	\$370.00
• includes adult and child aged 12 years or under	
• excludes stillborn child in area provided	
Pre-purchase of ashes plot.....	\$64.00
Perpetual maintenance of each single lawn plot .....	\$663.00
Perpetual maintenance (child under 12) in special area provided .....	\$174.00
Perpetual maintenance (ashes berm) .....	\$77.00
Plaque permit on berm (grave) .....	\$134.00
Plaque permit on berm (ashes) .....	\$67.00
Burial fee adjustment - in case of double bereavement in one family .....	Opening fee reduced by 33.3%
Issue of duplicate of any document or certificate.....	\$48.00
Cemetery burial records search exceeding 10 minutes of staff time .....	\$41.00

## RUBBISH

Solid waste fees will be charged by the contractors, Smart Environmental Ltd.

## ADVERTISING

Advertising on Palmerston Street rubbish bins .....	Cost to be provided upon application (One panel on each of the 11 bins. The advertiser is to meet the costs of producing the advertising material.)
Advertising on Council-owned State Highway billboards .....	\$800.00 per month, per site (plus GST) (The advertiser is to meet the costs of producing the advertising material, installation and removal.)

## SERVICE CONNECTIONS

All service connections shall be on a cost recovery. The work involved shall be installed to Council specifications and the installations must be undertaken by an approved contractor following the application being approved by Council.

## HOUSING FOR THE ELDERLY

Single unit.....	\$137.00 (GST exempt) per week
Double unit.....	\$180.00 (GST exempt) per week
Garage (if available).....	\$8.00 (GST exempt) per week

## ROOM RENTAL

For other rooms not listed, rental rates will be provided on application.

## LICENCE TO OCCUPY

Application for licence to occupy.....	\$150.00
Licence to occupy documentation fee.....	\$150.00
Annual licence fee.....	For dwellings on unformed legal road, as per Council policy (All other licences by negotiation)

## ROAD STOPPING

Application fee .....	\$300.00
(if application is approved all costs including staff time are payable in advance, in addition to the application fee)	

## VEHICLE CROSSINGS

Vehicle crossings are required to be installed to Council specifications and the installation must be undertaken by an approved contractor following the application being approved by Council.

## ADDITIONAL TRADE WASTE CHARGES AS PER SCHEDULE 1C OF THE TRADE WASTE BYLAW

Fees and charges are set annually by Council resolution and notified in the Annual Plan. The following charging categories apply to non-domestic/trade waste consumers.

### A2 Additional trade waste charge

This is an annual charge for recovery of the marginal cost of providing additional trade waste capacity. This charge will be made using the methodology defined in Council's Trade Waste Bylaw. This charge will be made on the basis of multiples of domestic dwelling equivalents.

The Domestic Dwelling Equivalent (DDE) varies depending on the activity. To calculate the total trade waste cost charging groups based on DDE are as follows:

Charging group	Domestic Dwelling Equivalent (DDE) Band	Trade waste fee
A	<2 DDE	\$0
B	2 - <5 DDE	\$100.00
C	5 - <10 DDE	\$200.00
D	10 - <20 DDE	\$400.00
E	20 - <30 DDE	\$600.00
F	30 - <70 DDE	Determination required
G	<70 DDE	Determination required

### A4 Trade waste consent application fee

This is payable with each Trade Waste Consent Application.

### A5 Compliance or extraordinary application processing costs

Time and disbursement costs, as incurred on at a rate identified in the Long Term Plan. Extraordinary application processing or compliance costs will subsequently apply.

The Trade Waste Bylaw - methodology for calculating additional trade waste charges

The following methodology will be used to apply the fees and charges set out in The Trade Waste Bylaw. This methodology is based on principles outline in the Introduction to the bylaw.

1. The Council will prepare a schedule of non-domestic consumers from their rating database.
2. Using best available information and local knowledge, the Council will assess the business function or activity and estimate the relevant local capacity of usage criteria of each non-domestic consumer on the schedule.
3. From load factors for the generic business functions or activities, an average daily flow will be estimated. In special cases, organic load may be considered, if relevant to that activity or if it may have an implication to the sewerage system.
4. From the estimate of daily flows (or organic load in special cases), the ratio of flow estimated from the activity (or organic load) to that expected from a domestic dwelling and as identified will be calculated.
5. As the assessment is not necessarily highly accurate, the calculated ratio will be averaged into one of the following groups and the appropriate charge concluded.

Ratio	Group	Charge
1 - <2	A	1 - no additional charges
2 - <5	B	3 - additional trade waste charges
5 - <10	C	7 - additional trade waste charges
10 - <20	D	15 - additional trade waste charges
20 - 30	E	25 - additional trade waste charges
>30	F	Ratio x additional trade waste charges
>70	G	Formal trade waste consent application required

6. The assessment will be forwarded to the applicant as a provisional trade waste consent, with procedures defined in section 3.2 of the bylaw.
7. For application assessed or known to have a maximum flow greater than 50m<sup>3</sup>/day, a formal trade waste consent application shall be required to be submitted by the consumer.

**For further information regarding the Trade Waste Bylaw contact the Infrastructure Services Department.**

## REGULATORY SERVICES - RESOURCE MANAGEMENT

### Basis of charges

The Buller District Council has adopted a user pays policy for all resource consent applications and functions that the Council carries out under the Resource Management Act 1991. The purpose of the charges is to recover the actual and reasonable costs incurred by the Council.

In setting these charges, the Council has had regard to the criteria set down in Section 36 of the Resource Management Act (RMA).

### Timing of payments:

Most of the charges and amounts specified in this schedule (unless otherwise specified) are payable in advance of any action being undertaken by the Council. Pursuant to Section 36(7) of the RMA the Council need not perform the action to which the charge relates until the charge has been paid in full.

### Deposits:

Deposits are initial charges payable at the time an application is submitted to Council for processing. Notwithstanding that a deposit may be paid, the Council will commence processing the application only when it is satisfied that the information received with the application is adequate.

Since resource consent applications can vary significantly in their content and nature, the Council cannot set a fixed charge that would be fair and reasonable in every case. The deposit shown in the schedule is the minimum deposit for that particular application category. A deposit higher than the minimum could be required and this would be dependent on the nature and scale of each specific application.

### Final costs:

When the processing of an application has been completed and a decision has been made, Council will then finalise the cost of processing the application.

#### (a) Remission of charges

Pursuant to Section 36(5) of the RMA, the Council, at its discretion may remit the whole or any part of the charges listed.

#### (b) Additional charges

Additional charges may be required under Section 36(3) of the RMA where the deposit is inadequate to cover costs, to enable Council to recover its actual and reasonable costs relating to any particular application.

#### (c) Discount on the charges

Pursuant to Section 36AA of the RMA the Council will give discounts on administrative charges to applicants whose resource consents have exceeded the prescribed timeframes where the responsibility for the failure rests solely with Council. The refund will be in accordance with the Resource Management (discount on administrative charges) Regulations 2010.

### Policy:

As a basis for additional costs under Section 36(3) of the RMA 1991, Council will assess such costs on the following basis:

- (a) Staff costs will be charged out at their hourly charge out rates as determined by the Department Manager from time to time.
- (b) Vehicle mileage rates will be charged at \$1.00 per kilometre plus GST for external charging. Travel for Consultants will be charged at cost.
- (c) Staff travel time will be capped at one hour, plus applicable mileage.
- (d) Advertising, materials and laboratory costs will be charged at cost.
- (e) Costs for Hearing Commissioners and their disbursements will be recovered at actual rates.

## | FEES AND CHARGES |

(f) Legal charges / peer reviews will be recovered at actual rates.

### List of charges:

A charge shall be made for each type of application or action listed. All charges unless otherwise specified in this table are a deposit and are inclusive of GST. All references are to the Resource Management Act 1991 and any subsequent amendments unless specified otherwise.

Application administration fee.....	\$100.00
Monitoring administration fee .....	\$100.00

### Category A - Land Use Consents

Description of service .....	Minimum deposit/fixed charge
Non notified (other than below) .....	\$1000.00 deposit with full cost recovery
Non notified .....	\$600.00 deposit with full cost recovery
• Electric line installation	
• Minor bulk, height and location matters	
• Signs	
Non-notified relocation of an existing powerpole .....	\$500.00 flat fee
Notified .....	\$1,200.00 deposit with full cost recovery (eg hearings and joint hearings with the Regional Council)
Permitted boundary activities – section 87BA of the Resource Management Act 1991 .....	\$450.00 deposit with full cost recovery
Deemed permitted activities – section 87BB of the Resource Management Act 1991 .....	\$450.00 deposit with full cost recovery

### Category B - Subdivision Consents

Non notified .....	\$1000.00 deposit with full cost recovery
Notified .....	\$1,200.00 deposit with full cost recovery
Boundary adjustment .....	\$700.00 deposit with full cost recovery

### Category C - Survey Plan and Related Subdivision Processing

Section 223 sealing of plan .....	\$200.00 minimum with full cost recovery
Signing under section 224(c) where no conditions are imposed .....	\$100.00 minimum with full cost recovery
Signing under section 224(c) where conditions are imposed .....	\$200.00 minimum with full cost recovery
Section 226 Certificates .....	\$450.00 minimum with full cost recovery
Right of way and easement amendments (section 348 of LGA 1974) .....	\$550.00 minimum with full cost recovery
Resolution for no frontage access to a lot (section 321 of LGA 1974) .....	\$300.00 minimum with full cost recovery
Authenticated copy of section 321 resolution .....	\$130.00 minimum with full cost recovery
Easements and encumbrances including lifting building line restrictions .....	\$255.00 minimum with full cost recovery
Other services (eg building, engineering advice) .....	At Cost

### Category D - General Consent Processing and Monitoring

Compliance monitoring on a Resource Consent where a breach of consent condition or conditions are identified - Sec 35(2)(d) .....	At cost invoiced on completion of investigations
Compliance monitoring of Resource Consent conditions, including Compliance Certificate for completion of conditions .....	At cost, invoiced on completion of investigations
Objection on decision - section 357-357A .....	\$200.00 deposit with full cost recovery

### Lapsing/cancellation/change/review of conditions:

Sections 125, 126, 127, 128-132 .....	\$650.00 deposit with full cost recovery
Notified review of condition - section 128 .....	Full cost recovery
Maintenance bond administration .....	\$100.00 per condition to be bonded
Performance bond administration .....	\$200.00 per condition to be bonded
Bond preparation by Council Solicitor .....	At cost
Legal costs associated with consent application .....	At cost
• Where one or more submitters make a request under Section 100A of the RMA to have a resource consent application heard by one or more hearing commissioners who are not members of the Council, the applicant will pay the amount that the Council estimates it would cost for the application to be heard had the request not been made, and the submitter(s) who made the request will pay, in equal shares, the cost of the application being heard that exceeds that amount payable by the applicant.	
• Where the applicant requests to have a resource consent application heard by one or more hear commissioners who are not members of the Council, under Section 100A of the RMA, the applicant will pay the full costs.	

## | FEES AND CHARGES |

**Category E - Other RMA Functions**

Existing use rights - section 10 .....	\$850.00 deposit with full cost recovery
Certificate of Compliance - section 139 .....	\$650.00 deposit with full cost recovery

**Requirement for Designation - Sections 168-173 (Heritage Order Sections 189-191):**

Non-notified .....	\$1,000.00 deposit with full cost recovery
Notified .....	\$2,000.00 deposit with full cost recovery
Approval of outline plan - section 176(a) .....	\$200.00 deposit with full cost recovery
Waiver of outline plan - section 176 .....	\$100.00 flat fee

**Requirement for alteration of a designation - Sec 181:**

Non-notified .....	\$500.00 deposit with full cost recovery
Notified .....	\$800.00 deposit with full cost recovery
Application to determine that a designation should not lapse - Sections 184(1)(b) and (2)(b):	
Non-notified .....	\$300.00 deposit with full cost recovery
Notified .....	\$1,000.00 deposit with full cost recovery
Searching and compiling information in respect of plans, resource consent records, planning files, involving more than 30 minutes and per half hour or part thereof .....	\$25.00 deposit with full cost recovery
Consultation of more than 30 minutes regarding information in respect of District Plan or proposed District Plan interpretation on any one project, excluding explanations associated with the statutory process for processing a consent .....	Invoiced on completion of consultation
Written response to interpretations sought on District Plan or any Proposed District Plan rule/s .....	Invoiced on completion of investigations
Request for private plan change .....	\$5,000.00 deposit with full cost recovery

**Category F - Miscellaneous**

Preparation of any documents for the purposes of the Overseas Investment Commission .....	At Cost
Information requests that take longer than 30 minutes to answer .....	At Cost
Computer freehold register search (or first instrument) .....	\$40.00
Plus: per additional document .....	\$10.00
Consultants miscellaneous fees (ie, printing costs) .....	At Cost

**Category G - District Plans**

Buller District Plan folder .....	\$200.00 flat fee
Buller District Plan CD .....	\$30.00 flat fee
Buller District Plan maps .....	\$300.00 flat fee

**Category H – Charge-out rates (including rates, mining privileges)****The following are charge-out rates that will be used to assess actual costs:**

Chief Executive .....	\$200.00 per hour
All divisional managers .....	\$180.00 per hour
Processing officer (including consultants undertaking processing and monitoring of applications .....	\$145.00 - \$225.00 per hour
Assets and infrastructure and building officers .....	\$115.00 - \$200.00 per hour
Technical support officer planning .....	\$135.00 per hour
Other staff .....	Hourly rate set by Manager of the respective department
Cost of commissioners attending hearings .....	Actual costs
Consultants and contractors (eg, noise reports, legal advice, does not include processing and monitoring consultants) .....	Actual costs
Copying, vehicle costs and other administration charges are applicable as prescribed for the whole of Council's operations	

**Notes:**

1.

1. The Council may charge a late default fee of \$100.00 if a resource consent application is withdrawn within five (5) working days of an appointed hearing, in addition to costs.

2. Consent monitoring charges will be included as conditions on resource consents where appropriate.



## BUILDING CONSENT FEES

Building consent fees shall be paid by way of deposit up front followed by settlement of any additional cost before uplifting a consent. Fees are as listed below:

Property Information Memorandums (PIMs) .....	\$170.00 with full cost recovery
Spaceheater - freestanding .....	\$470.00 set fee
Spaceheater - inbuilt .....	\$570.00 set fee
Minor work (<\$20,000) eg garage/shed/carport/conservatory/re-pile .....	\$480.00 deposit with full cost recovery
New work/alterations (>\$20,000) but not major construction and multi-proof consents.....	\$700.00 deposit with full cost recovery
New major construction .....	\$2,500.00 deposit with full cost recovery

### Applications:

Administration fee - All.....	\$120.00
Inspection fee (per inspection) .....	\$170.00
<i>(The current inspection fee will apply for any inspections carried out more than two years after the consent was issued regardless of whether an extension of time has previously been granted. If inspections have been prepaid the balance between the fee paid and the current fee will apply).</i>	
Processing and vetting of consent applications .....	\$170.00 per hour
Code compliance certificate.....	\$170.00
Compliance schedule - where required .....	\$570.00
Exempt building work .....	\$250.00 deposit with full cost recovery
Waiver request form .....	\$170.00

### Building levies (fees are payable on consent of a value in excess of \$20,000)

Ministry of Building Innovation and Employment (as set by statutory requirements and payable on consent value over \$20,444) .....	\$2.01 per \$1,000.00 or part thereof
BRANZ (as set by statutory requirements and payable on consent value over \$20,000) .....	\$1.00 per \$1,000.00 or part thereof

### Alpha One (BDC Agent) Levy

All projects except spaceheater installations.....	\$86.25
Manual applications except spaceheater installations.....	\$170.00 per hour

### Building Consent Authority (BCA) Levy

<\$10,000 .....	\$75.00
\$10,000-\$19,999 .....	\$150.00
\$20,000-\$49,999 .....	\$250.00
\$50,000-\$99,999 .....	\$450.00
\$100,000-\$199,999 .....	\$900.00
\$200,000-\$349,999 .....	\$1,250.00
\$350,000-\$499,999 .....	\$1,750.00
\$500,000-\$1,000,000 .....	\$2,250.00
> \$1,000,000 .....	\$2,250.00 plus \$1.00 per \$1,000 or part thereof on consent value over \$1,000,000

### Other fees

Land Information Memorandum (LIM) minimum fee of: .....	\$300.00
Certificate of Acceptance - The full cost of processing a Certificate of Acceptance based on inspection and processing fees plus the full fee, charges and/or levies that would have been payable had the owner or the owners predecessor in title applied for a building consent before carrying out the building work (refer Section 97 Building Act 2004)	
Building Compliance Certificate (sale of alcohol).....	Flat fee of \$50.00
Inspection and reports on unauthorised work .....	\$170.00 per hour
Swimming pool fence inspections fee .....	\$170.00 per inspection
Field/service/site inspection .....	\$170.00 per hour
Building information .....	\$170.00 per hour
Notices to fix .....	\$170.00 per hour
Annual administration fee for compliance schedule (includes audit if required) .....	\$397.00
Design or peer review plus specific inspections by specialist external contractors .....	Full cost recovery
Certificates for public use .....	\$120.00 administration fee
.....	\$170.00 per hour processing fee
Amendment of consents.....	\$120.00 administration fee
.....	\$170.00 per hour processing fee plus Alpha One levy \$86.25
Building consent - extension of time fee.....	\$50.00



## | FEES AND CHARGES |

Building consent - document copying..... \$0.50 per page

**Registration Costs Section 73, 77 and 83 of the Building Act:**

Administration/preparation of signed certificate ..... \$66.50

Plus: registration costs to DLR as set by Land Information New Zealand

**HEALTH INSPECTION FEES****Premises Licence Fees:**

Additional visits if required..... \$126.00 per hour (includes mileage)

Food vending machines ..... \$39.00

Hairdressers ..... \$220.50

Mortuary licence..... \$276.00

Offensive trades..... \$276.00

Camping grounds ..... \$276.00

Transfer fee of health registrations ..... \$34.00

Others - itinerant traders..... \$276.00

Hawkers ..... \$25.00

**Trading in public places licence (street stalls)**

- up to and including a maximum of three (3) days over any seven (7) day period..... \$26.25

- for more than three (3) days up to seven (7) days over any seven (7) day period..... \$42.00

- mobile or travelling shops..... \$166.00

Licence to Occupy footpaths for dining purposes - temporary structures..... \$126.00

**If a business is required to be registered under the Food Act 2014, the following charges apply:**

Food control plan - national programme (initial) ..... \$200.00

Food control plan - national programme (renewal of registration)..... \$200.00

Printed food control plan ..... \$30.00

Printed food control diary ..... \$10.00

Verification visits (per audit) ..... \$250.00

Amendment to food control plans based on a change in circumstances ..... \$50.00

Additional visits to check compliance ..... EHO hourly rate

Compliance and monitoring (investigation of complaint resulting in the issue of an improvement notice by Food Safety Officer ..... EHO hourly rate

**Environmental Health Officer**

Inspections ..... \$150.00

Administration..... \$75.00

Consultation..... \$150.00 per hour

**SALE OF ALCOHOL LICENSING****refer to Sale and Supply of Alcohol (Fees) Regulations 2013**

Providing alcohol information..... \$125.00 per hour

- On-licence or off-licence or club licence - new or renewal applications

- On-licence endorsed BYO - new or renewal applications

- Conveyance licence - new or renewal applications

- Special licence - new or renewal applications

- Manager's certificate - new or renewal applications

- Extract from registrar

- Temporary authority per licence

- Temporary licence

**GAMBLING VENUE APPLICATIONS**

Application for class 4 gambling venues..... \$250.00 deposit with full cost recovery

**AMUSEMENT DEVICES**

## | FEES AND CHARGES |

For one device, for the first seven days of proposed operation or part days thereof .....	\$11.25
For each additional device, for the first seven days of proposed operation of part days thereof .....	\$2.25
For each device, for each further period of seven days or part thereof .....	\$1.12

**DOG REGISTRATION FEES**

For the purposes of determining Annual Dog Registration Fees, there will be two categories of dog owner - those considered to demonstrate competent dog ownership known as responsible dog owners (RDO) and those who have not.

To demonstrate competence a dog owner must not have had any substantiated complaints in the previous twelve month period. Animal Control Officers will be responsible for investigating and recording complaints made about dogs.

**Responsible dog owners will be charged the following registration fees:**

Approved dog owners - entire dogs .....	\$87.50
Approved dog owners - de-sexed dogs .....	\$67.50

**Dog owners who are not able to show competence in dog ownership will be charged the following fees:**

Entire dogs .....	\$152.50
De-sexed dogs .....	\$132.50

**Other fees related to dog registration:**

Dogs not registered after due date - per dog .....	Additional 50%
Duplicate registration tags .....	\$2.50
Microchipping of dogs .....	\$40.00
Inspection fee .....	\$51.00
Animal control officer consultation .....	\$66.50 per hour

**Dog impounding:**

First impounding within 12 months .....	\$75.00
Second impounding within 12 months .....	\$180.00
Third impounding within 12 months .....	\$200.00
Plus in each instance above, a sustenance fee per day or part thereof .....	\$10.00
Dogs impounded after normal working hours, owner to pay an additional fee .....	\$50.00
Finders fee (first offence, registered, able to be identified, able to be received) .....	\$50.00
Dog Euthanasia .....	Full cost recovery

**Ranging and impounding of animals**

Stock impounding .....	Actual cost
Every horse, above 12 months of age .....	\$60.00
Every horse, under 12 months of age .....	\$60.00
Every mule or ass .....	\$60.00
Every bull over the age of 9 months .....	\$60.00
Every ox, cow, steer, heifer or calf .....	\$60.00
Every ewe, wether or lamb .....	\$50.00
Every hind or stag .....	\$60.00
Every goat .....	\$50.00
Every boar, sow or pig .....	\$50.00

**Impounding and sustenance:**

The owner of any stock impounded shall pay, in addition to the above impounding fee, a similar amount per day or part day thereof for sustenance, and actual and reasonable charges incurred in impounding the stock on the following basis:

- The actual costs on wages plus 140% (plus GST)
- Vehicle expenses at \$1.00 per kilometre plus GST for external charging
- The actual freight costs incurred

**Administration costs:**

Travel costs .....	vehicle expenses at \$1.00 per kilometre plus GST for external charging
Dogs impounded after normal working hours, owner to pay an additional fee .....	\$50.00
Finders Fee (first offence, registered, able to be identified, able to be received) .....	\$31.00

**INFORMATION SERVICES**

Where written information is sought or staff are employed to provide information other than that in relation to normal inspector or by-law requirements, an hourly rate of .....\$71.50 per hour

## | FEES AND CHARGES |

Photography costs .....	\$2.00 per photo
Property File – routine request.....	\$50.00
Property File – urgent request.....	\$65.00

**Other services:**

All other services rendered by staff which is outside of the services normally provided for in the other fees and charges .....\$71.50 per hour.

**ALL DEPARTMENTS****Staff time:**

For chargeable services the staff hourly rate is: .....\$80.00 per hour

**Photocopying:**

A4 Mono .....	\$0.20 per copy
A4 Colour.....	\$1.00 per copy
A3 Mono .....	\$0.40 per copy
A3 Colour.....	\$2.00 per copy

**Aerial photos or maps:**

GIS preparation and printing: .....\$10.00 per item

- Photocopying charges apply as above for multiple copies
- Complex enquiries may incur specialist staff time charges

**Electronic imaging:**

CD or DVD .....\$5.00 per job

**WESTPORT AIRPORT AUTHORITY****Parking charges:**

Daytime (more than 1 hour, but less than 24 hours).....	\$5.00 per day
Overnight (24 hour period, plus) .....	\$10.00 per 24 hour

**WESTPORT PORT**

(All fees are exclusive of GST. Per day rates - minimum 24 hours)

**Soundings:**

Special Soundings (at the request of Ship's Master or Agent) Monday-Friday (0700 hrs - 1800 hrs) .... \$400.00 per hour or part thereof

**Parking charges:**

Daytime (more than 1 hour, but less than 24 hours).....	\$5.00 per day
Overnight (24 hour period, plus) .....	\$10.00 per 24 hour

**All other times:**

Per hour for the first hour .....	\$580.00
Per hour for the second and subsequent hours or part thereof .....	\$350.00

**Public notices**

Advertisements..... Actual cost

**Wharfage**

Fish.....	\$8.20 per metric ton or part thereof (minimum \$40.00)
Other commodities .....	Price by request

**Berthage**

Vessels that are not commercial fishing vessels and do not have a permanent berth.....A daily charge of \$2.40 per metre or part metre of the overall length of the vessel with a minimum charge of \$31.31 per day.

Fishing charter vessel.....A daily charge of \$2.52 per metre or part metre of the overall length of the vessel

Commercial fishing vessel 20m (LOA) and over.....\$260.00 per entry (includes entry/advisory fee) plus \$2.20 per metre per day

A vessel requiring a 'layup' berth ..... A monthly charge of \$40.00 per metre or part metre of the overall length of the vessel payable in advance plus any costs involved in the supply of three phase or other shore power

## | FEES AND CHARGES |

All other permanent berth holders.....An annual charge of \$170.10 per metre or part metre of the overall length of the vessel.

.....An annual charge of \$100 per metre or part metre of the overall length of the vessel for pole mooring (non powered).

Six-months tuna special: The rate is \$85 per boat metre or part metre. This allows the vessel to be tied up as many times as desired between 1 Jan and 30 June in any one season.

(Note a six month rate will be applied to annual and floating berth holders from July to December 2022 inclusive).

#### Mooring Fee - Linesmen

Monday-Friday (0700 hrs - 1800 hrs).....\$60.00 per hour, per person

All other times .....\$80.00 per hour, per person

(Minimum charge - 1 hour per man)

#### Punt Hire

Punt hire .....\$25.00 per hour

#### Slipway Charges

Haulage (up/down) .....\$600.00 minimum charge

(this includes 5 days applicable cradle charge)

Daily cradle charge .....\$100.00 per day

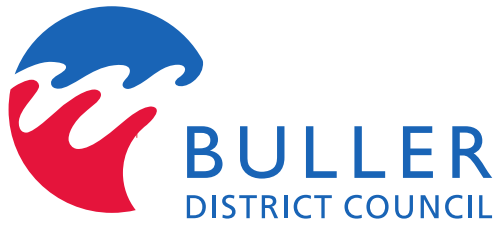
Electricity connection fee .....\$32.50

Electricity (metered supply charge).....\$1.00 per kWh

(a cleaning fee of up to \$500.00 will be charged if the site is left untidy)







Westport Office  
6-8 Brougham Street  
PO Box 21  
Westport 7866  
New Zealand  
Freephone (0800) 807-239  
Ph 64 3 788-9111  
Fax 64 3 788-8041

Reefton Office & Library  
66 Broadway  
PO Box 75  
Reefton 7851  
New Zealand  
Freephone (0800) 808-821  
Ph 64 3 732-8821  
Fax 64 3 732-8822

Sue Thomson-Casey  
Memorial Library  
87-89 Palmerston Street  
Westport 7825  
New Zealand  
Ph 64 3 788-8030  
Fax 64 3 788-8147

Email: [info@bdc.govt.nz](mailto:info@bdc.govt.nz)



## Introduction

The Annual Plan Consultation Document sets out Council's direction for the next year.

Any of the matters covered in this Consultation Document are open to public comment. Council has identified several key issues and strategies that we believe are of particular importance to our community that we want your feedback on.

Council has a wide range of activities that it undertakes – many of which it must carry out by law, including:

- Key infrastructure: roads, footpaths, water, sewerage, stormwater, waste and drainage.
- Regulatory responsibilities: Resource Management Act, animal control, policies, monitoring and consents, building consents, food and liquor.
- Community services and support: Community grants, libraries, theatres, cinemas and swimming pools. Emergency management.
- Community facilities: parks, reserves, housing for the elderly and Council owned properties.



[www.bullerdc.govt.nz](http://www.bullerdc.govt.nz)

## The Mayor's Foreword

It is my pleasure to present the 2022-2023 Draft Annual Plan. I am very hopeful that this financial year will be one of significant recovery for our district, as we progress from the severe weather events of last year and the Covid-19 pandemic – both of which continue to have a profound effect on our people.

This Draft Annual Plan also spans the local body elections, which is an important opportunity for the community to elect or re-elect the representation they believe will best serve the district over the next three years. Council will work hard to inform potential candidates about what the role entails, in an effort to gain nominations from a broad cross-section of the community, and for new candidates to enter office with some knowledge of the current situation and potential opportunities.

The civil emergencies experienced in Buller have increased pressure on our resources to deliver, both for our people and financially. Our continued relationship with central government will be key to a successful and meaningful recovery throughout 2022-2023. However, this support doesn't cover everything, and there will be ongoing unexpected costs to Council, which coupled with inflationary pressure and the need to continue some long deferred projects has put further pressure on rates. Councillors have taken a pragmatic approach in this Draft Annual Plan, balancing the realities of a sustained flood recovery with the desire of the community to continue to make progress. Our economic development strategy is also continuing, with Council maintaining the role of facilitator seeking to leverage funding opportunities with central government agencies, businesses, and the community in partnership all while minimising risk to ratepayers.

The flood events have highlighted the need for some difficult conversations with the community around climate change and adaptation as the effects are being felt here and now. Council continues to take a balanced and science based approach as we develop a plan to adapt over the coming years.

Council will continue to engage in the various government reforms as the details emerge. Three Waters, Future of Local Government, and Resource Management Act reform will all bring material changes to Council's traditional role over time.

Council is committed to shaping our district by continuing to work with the community together on the challenges and opportunities.

I continue to be amazed by the resilience of the community in times of adversity and look forward to delivering this Draft Annual Plan as we continue our progress as a district.

Partnership with Ngāti Waewae is important and adds to a rich depth of conversation and thinking in Council. A highlight has been the completion of the Toki Bridge and gifting of the Pounamu e toru ngamikihi.

Councillor Martin Hill resigned from his position in December 2021. Council determined to leave the position vacant in line with the Local Government Electoral Act 2011.

## About this Consultation Document

This Consultation Document is a condensed version of the financial and narrative information provided in the full 2022/2023 Draft Annual Plan.

**Council is seeking feedback on the projects outlined on page two. Information about our consultation process and deadlines can also be found on the last page.**



**Our Values:** Community Driven | One Team | Future Focused | Integrity | We Care



# Key Consultation topics

## Key consultation topics in the 2022-2023 Draft Annual Plan

In this Draft Annual Plan we are not diverting much from the 2021-2031 Long Term Plan. There are a few key projects that we are seeking community feedback on through the submission process.

### Westport wastewater pump stations

Subsequent to the adoption of the 2021-2031 Long Term Plan, it has become evident that renewal of elements of the Westport wastewater and sewerage systems is required due to changes in fresh water management policies that do not allow Council to discharge directly to water.

A budget of \$2.24 million has been included in the Draft Annual Plan in the Westport wastewater scheme to prepare elements of the wastewater and sewerage pump station infrastructure to enable this activity to continue and the resource consents and affected party approvals to be gained.

### Westport water supply trunkmain connection to town

The Draft Annual Plan provides in the Westport water supply scheme funding of \$1.65 million towards trunk main replacement, not in the Long Term Plan. This will build upon central government funding received for trunk main upgrades in 2021-2022. This additional fund is required to complete the upgrade all the way into Westport providing a resilient trunk main in its entirety.

### Reefton water supply chlorination

The first stage of upgrading the Reefton infrastructure was undertaken last year and this has addressed several issues with the supply. Council will now undertake work to design, install and commission a compliant chlorination system. To complete this a budget of \$455,000 has been provided for in the Draft Annual Plan. This was not included in the 2021-2031 Long Term Plan.

### Waimangaroa drinking water upgrade

Council continues to invest in capital works for the Waimangaroa water supply and remains committed to providing a safe and compliant scheme for all consumers. This will be completed progressively, based on priority and affordability. The current upgrade of the raw water trunk main will be finished as we begin this Annual Plan period. Due to market pricing exceeding Council's budget provision, the proposed water treatment plant will now be deferred until an alternative funding stream or strategy is identified. In consultation with the community, Council will consider options to repurpose funding from the already approved project budget to focus on improved reliability and resilience of the supply. This may include bulk storage tanks and reticulation renewals to reduce the likelihood of service loss or extended outages. Water treatment and mandatory measures such as chlorination will be assessed as part of the next phase of investment on our journey to compliance within the affordability constraints for ratepayers.

### Deferral of community facility projects

#### Brougham House upgrade

The proposal to upgrade Brougham House (which is the Council office building situated in Westport) has been delayed. This is because Council has reprioritised the capital spending and projects which can be delivered throughout the year, taking into account the district wide flood events of July 2021 and February 2022 and new capital budgets required in the Draft Annual Plan. A new heating and cooling system will be installed and decommissioning of the coal-fired boiler which heats Brougham House will be completed. However other upgrade work has been deferred.

#### Clocktower Chambers upgrades

The 2021-2031 Long Term Plan provided \$106,000 in the 2021-2022 financial year for new toilets and \$306,000 in 2022-2023 financial year for a new HVAC system at the Clocktower Chambers. The proposed upgrades have been deferred as part of the capital reprioritisation that occurred as part of this Draft Annual Plan. There is no change to the level of service provided to our community due to this reprioritisation.

The net impact of the proposed capital programme changes outlined above has resulted in a breach in net debt limit in the financial strategy contained in the 2021-2031 Long Term Plan. Council considers the net debt limit breach necessary to provide core services to the community. Council also undertook a reprioritisation of its planned capital programme to accommodate the new projects while limiting the breach as much as possible.

### Karamea restricted water supply

Council has been reviewing the water supply to the Karamea Campground which is managed by Karamea Reserve Sub-committee. Currently the water is supplied through an agreement with Karamea Area School. This agreement expires in October 2022. Without this supply, the campground could not continue to operate and would potentially be closed. Options will be considered by Council, including various self-supply alternatives for the campground, as well as a limited network incorporating the school and utilising upgraded infrastructure. There are no plans to connect the campground supply to any other consumers or for it to become an expanded township scheme.

The additional targeted rates revenue to fund the new Karamea water scheme forms part of the additional increase in total rates included in the Draft Annual Plan.

### Community grants

In preparing the Draft Annual Plan Council chose to partly offset the rates increases caused by increasing interest and inflation by reducing the funding available for community grants. Contestable grants were reduced by 50% and tourism and museum support grants by 25% compared to the same year in the Long Term Plan, excluding Coal Town Museum and Reefton Visitor Centre grants as these are part of current change proposals that lock Council into the current level of funding. Council considers this does not result in a change in level of service as community grants are continued to be provided to the community.



# Financial Summary

## Key Highlights of this Draft Annual Plan

### Draft Annual Plan

This is the first Draft Annual Plan following the 2021-2031 Long Term Plan and Council continues to follow the original strategy set out in that document. This means there are only minor variations in 2022-2023 arising from matters that Council was not aware of in preparing the Long Term Plan and which now need addressing. The Annual Plan continues the rollout of key projects consulted on with the community in the Long Term Plan.

After adopting the 2021-2031 Long Term Plan the Buller District suffered, in mid-July, a one in 60-year flood event that caused significant displacement of the Westport community and damage to the district's infrastructure. Two further flood events happened in February 2022.

Council continues working closely with central government to identify and fund recovery works. There has been no provision made in this Draft Annual Plan either in relation to the anticipated revenue and costs associated with these works, or any contribution from Council to fund this through rates.

Key projects identified after the Long Term Plan was adopted, and requiring immediate action, include renewal of elements of the Westport wastewater and sewerage systems. This work is forecast to cost \$2.24m and is required to obtain renewal of the resource consents. Work to upgrade the Westport water trunk main connection to town is also required at a cost of \$1.65m, along with chlorinating the Reefton water supply at \$455,000.

In response, Council is reprioritising its capital programme, deferring the upgrade of Brougham House forecast to cost \$1.932m and upgrades to the Clocktower totalling \$412,000 in the Long Term Plan. The focus is on providing core services to the community.

The Kawatiri dredge and port strategy formed as part of the Long Term Plan is progressing as Council staff work with external parties to ensure these activities remain viable and self-funding remains a key assumption in this Draft Annual Plan.

The information management project is well underway and expected to be delivered within budget by March 2023.

Council has commenced work on developing climate change adaption action plans in line with the commitment made in the 2021-2031 Long Term Plan. The first stage is formulating a project plan followed by identifying the key stakeholders towards the third quarter of 2022. Council will seek to engage with the community on how to shape the plan.

Continuing from the 2021-2031 Long Term Plan, Council is recommitting to the district revitalisation programme as one of our significant strategic initiatives for this Annual Plan. This also supports our long-term vision, community outcomes and well-beings, alongside broader aspirations including equity, inclusion, and connectedness. District revitalisation aims to provide reliable, affordable services and infrastructure to create attractive, liveable towns and places, and a district in which people want to live, explore and invest. Together, this helps to shape a fit-for-future Buller.

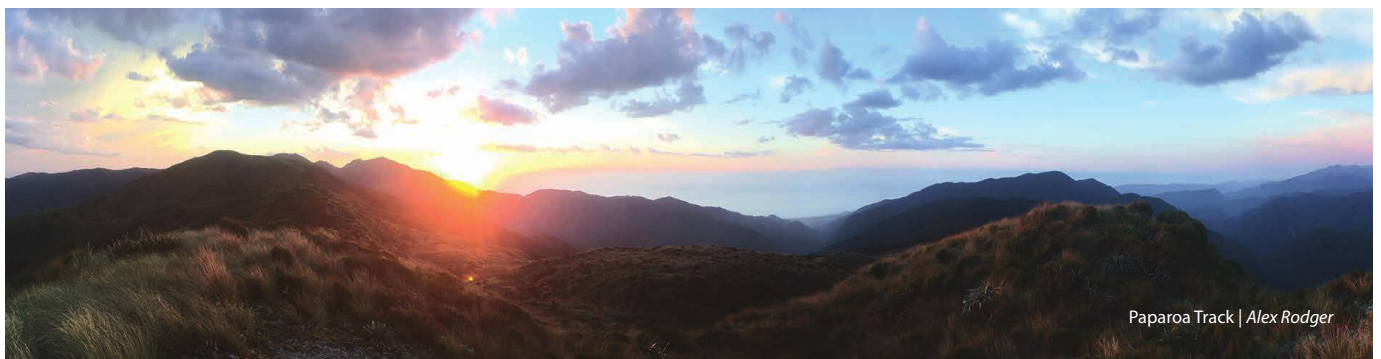
## Financial performance & measures

Financial performance	2021/2022 Annual Plan	2022/2023 Long Term Plan	2022/2023 Annual Plan
Operating revenue	\$32,076	\$35,242	\$32,658
Operating expenses	\$32,061	\$31,028	\$31,727
Operating surplus/ (deficit)	\$15	\$4,214	\$931

Financial prudence measures		Planned	Achieved
Rates increases affordability benchmark	Planned rates increases are no more than the long run cost local government cost index increase (2.2%).	7.7%	●
Debt affordability benchmark	Planned net debt (debt less term deposits) is less than \$25m.	\$25.8m	●
Balanced budget benchmark	Planned total revenue less excluded items is equal to or greater than operating expenditure less excluded items.	102.6%	●
Essential services benchmark	Planned capital expenditure on network services is equal to or greater than depreciation on network services.	195.8%	●
Debt servicing benchmark	Planned borrowing costs are equal or less than 10% of planned revenue.	4.2%	●

### Operating Result

Council is budgeting a profit of \$931,000 in the 2022-2023 Draft Annual Plan compared to a profit of \$4.2m proposed for the same year in the 2021-2031 Long Term Plan. This is due to a reduction in Waka Kotahi subsidies forecast for capital expenditure and government grants relating to the purchase of NZ Whitebait Ltd shares as this project is not longer proceeding. This Draft Annual Plan also incorporates increases in inflation and interest rates, reflecting both the current and forecast economic environment Council is operating in compared to when the Long Term Plan was prepared.



Paparoa Track | Alex Rodger

# Rates

## Examples of rate changes

These are a sample of some properties to demonstrate how the 2022-2023 Draft Annual Plan changes will affect rates in these areas.

2021-2022 rates are what is currently being paid, with the rates for 2022-2023 showing what your rates would be if the changes shown in the 2022-2023 Draft Annual Plan are accepted.

Location	Land Value	Rates		Variation %
		2022/2023	2021/2022	
Res 101 Karamea	\$50,000	\$858.55	\$806.46	6.46%
Res 103 Little Wanganui	\$63,000	\$2,155.16	\$1,971.57	9.31%
Res 103 Mokihinui	\$57,000	\$1,311.14	\$1,240.04	5.73%
Res 103 Seddonville	\$37,000	\$843.09	\$828.94	1.71%
Res 104 Hector	\$48,000	\$1,267.72	\$1,243.37	1.96%
Res 104 Waimangaroa	\$40,000	\$1,961.60	\$1,940.48	1.09%
Res 106 Westport (Brougham)	\$75,000	\$3,865.03	\$3,612.61	6.99%
Res 106 Westport (Russell)	\$59,000	\$3,650.20	\$3,413.23	6.94%
Res 108 Carters Beach	\$85,000	\$3,611.00	\$3,383.20	6.70%
Res 113 Charleston	\$80,000	\$1,126.99	\$1,086.32	3.74%
Res 114 Punakaiki	\$170,000	\$3,031.10	\$2,811.37	7.82%
Res 101 Ikamatua	\$33,000	\$803.57	\$787.94	1.98%
Res 115 Reefton	\$36,000	\$2,884.01	\$2,452.15	17.61%
Res 101 Springs Junction	\$38,000	\$969.62	\$837.39	15.79%
Com 131 Karamea	\$95,000	\$2,903.81	\$2,694.34	7.77%
Com 134 Westport	\$180,000	\$12,359.06	\$11,662.90	5.97%
Com 140 Reefton	\$78,000	\$4,342.17	\$3,780.17	14.87%
Rur 141 Karamea	\$690,000	\$3,075.32	\$2,852.78	7.80%
Rur 143 Cape Foulwind	\$1,070,000	\$3,664.06	\$3,409.00	7.48%
Rur 141 Grey Valley	\$1,500,000	\$5,956.53	\$5,545.99	7.40%
RR 151 Karamea	\$125,000	\$1,287.51	\$1,202.31	7.09%
RR 152 Granity	\$90,000	\$1,102.84	\$1,074.13	2.67%
RR 151 Fairdown	\$155,000	\$1,463.39	\$1,397.38	4.72%
RR 162 Alma Road	\$190,000	\$1,439.10	\$1,389.06	3.60%

## Rates & how they impact you

### Rate Assessments

Rates assessments are made up of two types of rates. Broadly speaking there are General Rates and Target Rates. Everybody pays something in the form of a general rate which is based in the first instance on the land value of your property. General rates are value based and the amount payable rises in accordance with the amount of land value. General rates are also affected by the use category defined for each property. Some categories pay at higher rates and some pay at lesser rates. Target rates are only payable by those properties in a certain geographical area, or those deemed to be in receipt of a particular benefit. Target rates can be calculated on a value basis or a uniform basis. All of Council's present target rates are calculated on a uniform or flat basis whereby all ratepayers irrespective of the value of their property pay the same amount.

### Uniform Annual General Charge (UAGC)

There is only one target rate that is applicable to all properties and this is known as the Uniform Annual General Charge or UAGC. The Uniform Annual General Charge for the 2022-2023 Annual Plan is \$500.00 (GST inclusive).

## Rate movements

	2019/2020 Annual Plan \$000	2022/2023 Long Term Plan \$000	2022/2023 Annual Plan \$000
Total rates	\$16,058	\$17,063	\$17,287
Rateable properties	7,517	7,521	7,525
Average rates	\$2,136	\$2,269	\$2,297
Rates movements	+6.7%	+6.3%	+7.7%

### Note:

The annual average rates are the sum of the general and targeted rates, divided by the number of ratepayers.

There will be properties that pay less and others that pay more, depending on the services they receive.

## Other factors that affect the distribution of rates

Although Council can easily quantify how much in total rates that it is collecting from its communities to fund community infrastructure and services from one year to the next, there are two factors that affect when an individual might pay in rates compared to last year. The first is the Quotable Value property valuation that was conducted in September 2019 that occurs every three years, and applies to property values in this Annual Plan, the other is a change in use of the land.

# Community Consultation

Council has introduced restricted gatherings for the Draft 2022-2023 Annual Plan consultation process. As a result public meetings will not be held during the community consultation process, however three drop-in sessions will be available.

As well as information and submission forms being available on the Council's website, there will be three drop-in sessions:

- **Reefton** – Thursday 21 April 6pm to 7pm, CWI/Plunket Rooms
- **Karamea** – Thursday 28 April 6pm to 7pm, RSA Community Rooms
- **Westport** – Thursday 5 May 6pm to 7pm, NBS Theatre

For information please contact Council on 0800 807 239 or visit our website [www.bullerdc.govt.nz](http://www.bullerdc.govt.nz).

Online submissions can be completed at [www.surveymonkey.com/r/2022-2023Annualplan](http://www.surveymonkey.com/r/2022-2023Annualplan)

Enquiries can be sent to [submissions@bdc.govt.nz](mailto:submissions@bdc.govt.nz) or phone 0800 807 239.

**Submissions on the  
Draft Annual Plan are accepted  
until 4.30pm on  
Tuesday 17 May 2022.**

**FINANCE, RISK AND AUDIT COMMITTEE**

**13 APRIL 2022**

**AGENDA ITEM 4**

**Prepared by** Rod Fox  
Group Manager Commercial & Corporate Services

**PUBLIC EXCLUDED**

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**1. REPORT SUMMARY**

Subject to the Local Government Official Information and Meetings Act 1987 S48(1) right of Local Authority to exclude public from proceedings of any meeting on the grounds that:

**2. DRAFT RECOMMENDATION**

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

<b>Item No.</b>	<b>Minutes/Report of:</b>	<b>General subject</b>	<b>Reason for passing resolution Section 7 LGOIMA 1987</b>
<b>5</b>	Rachel Townrow (Deputy Chief Executive Officer)	Tranche 2 Funding Request to Cabinet	<b>Section 7(2)(f)(i) -</b> the free and frank expression of opinions by or between or to members or officers or employees of any local authority, or any persons to whom <a href="#">section 2(5)</a> applies, in the course of their duty