

West Coast Regional Council

# Long-term Plan 2024-2034

Consultation Document

**Have  
your  
say!**

**Your feedback  
is important**

Want to make a submission? Check out the back page for how to provide feedback.

**Long-term Plan  
Consultation Topics:**

- › Balancing the budget
- › Predator Free Te Kinga
- › Our updated Strategies and Policies
- › Changes to our User Fees and Charges
- › Transfer of ownership of the Grey Floodwall and Havill Wall (Franz Josef)

**Find out more in  
this Consultation  
Document**



**WEST COAST  
REGIONAL COUNCIL**

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# Welcome

Have  
your  
say!

**There is no doubt that we have a number of challenges ahead of us as we grapple with rising costs, higher interest rates, inflationary pressures, increasing demands and internal systems and processes that are no longer fit for purpose.**

The change in government has led to a respite in the legislative direction being pushed down such as the Resource Management Act Reforms. We will be watching closely to see what further changes are made so that we can adapt our work programmes and budgets appropriately, either through this process or in future Annual Plans.

However, we will still be proposing a significant increase to the General Rate for year 1. This is in part catch-up for what hasn't been rated for in the past, but also in conjunction with the high inflation environment we are currently experiencing. This year is big, but it is happening to local government right across New Zealand.

The business of Council, and the levels of service we are expected to deliver on continue to grow. Rates have been held artificially low for too long. The budgets prepared as part of this Long-term Plan reflect the true cost of doing business. Ultimately, we have to return to surplus. We believe the approach we have outlined in our Financial Strategy, and summarised in this consultation document, will get us there.

Essentially, we are proposing that investment in the organisation's capital works, including corporate service system upgrades, will be funded by debt for the first 3 years of this Long-term Plan, but then the tide will turn, and we will be able to start to pay down this debt. This 'rate smoothing' approach forms the main topic in this consultation document we are seeking your feedback on.

Targeted rates, particularly in Westport, will also experience some big movements. Where these are expected we have highlighted it in this consultation document so ratepayers are aware of what is being proposed.

There is a lot of work to be done and we have attempted to balance your needs as a community with those projects we must undertake. Not everything will be done in year 1, but over time the important work will get completed.

We'd like to hear from you. Make your submission to help make a difference for the future.



**Peter Haddock**  
Chairman



**Darryl Lew**  
Chief Executive

## We want your feedback on our consultation topics

To find out more go to pages 13-15 of this Document



How do we fund an increased rate requirement of 20.8% for 2024-25? Do we borrow to smooth out the rate increase, or don't borrow and just rate at a higher amount from year 1 to avoid taking on debt?



Should the Predator Free Te Kinga Project receive funding from the General Rate from year 3 once its external funding ceases?

# ➤ Talk to us!

The West Coast Regional Council has seven representatives elected by the community through local body elections every three years.



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## ➤ Why are you receiving this document from us?

We're planning the next 10 years, based on what we hear from you as well as what we have to deliver as part of our legislative functions. We would like your feedback to make sure we have got it right.

# Setting the Scene

## Preparing for the future

**We have developed this Long-term Plan through the lens of preparing for the future. Whether this is as result of adapting to the hazards we live amongst, the legislative requirements facing us, or lifting our ability to undertake our business as usual activities. This all requires investment in order to deliver on the outcomes sought by our community.**

The choices made in the past on where we live and do business have made us susceptible to the impacts of natural hazards. We need to adapt, or defend as required, to build resilience and to protect the economic, social and cultural well-being of our communities. Decisions must be affordable and take a long-term perspective with our communities having a clear understanding of the risks they are living with. The greater awareness of natural hazards by communities is leading to higher expectations placed on local government for the provision of structural protection and better emergency response and recovery.

Our roles and responsibilities are primarily determined by central government policy and legislation. The change in government will result in a change of focus for local government. However, it is likely that Councils will continue to face significant legislative challenges over time. The extent of change is not yet fully known,



For more information on the Reform of Local Government and the four West Coast Council's approach to aligning services refer to pages 18 – 19 of the **draft Long-term Plan 2024-34**.

but it will shape the Council's work programmes in meeting the region's natural resource management responsibilities. The incorporation of these changes into our stewardship of the natural environment must be undertaken in a pragmatic manner so that economic development opportunities can still be realised. We are working together with our iwi partner on this journey as there is great strength found in standing together and pursuing a strong future for Tai Poutini - West Coast.

Along with the rest of the country, we are being called upon to do more, do it better and do it faster. Looking to the future, our work programmes must be targeted, delivering on the ground results and achieving the best outcomes for regional ratepayers and West Coast communities. Council will need to build a solid foundation to deliver on the levels of service committed to.

There will be tough decisions to make as the quantum of work ahead of Council must be adequately resourced and funded. Some of this work will be driven through Central Government direction, potentially resulting in the loss of regional decision-making, while other activities will be at the request of our community. However, there are opportunities ahead of Council to capture efficiencies for local government across the region through adoption of an aligned service model for various functions.



# General Opportunities and Challenges

## Resourcing

The West Coast Regional Council is the smallest of the regional councils yet must deliver the same services and functions as the other regions of New Zealand. Resourcing is therefore one of our biggest challenges. We prioritise our resource management efforts in areas where the greatest resource pressures occur and in specific areas as directed by central government policy.

A region spanning 600km, equivalent to the distance between Auckland and Wellington, provides challenges in the way Council efficiently and effectively undertakes its roles and responsibilities, but also presents opportunities to adopt new technology and processes. Underinvestment in the past has meant that Council's systems and processes are under pressure to perform as required and are not delivering on customer expectations.

Recruitment of suitably qualified staff is an issue hampering organisations across the West Coast. This is compounded by a chronic housing shortage for when staff are recruited from outside of the region.



## Rapid pace of technological change

A wide range of technology is used across our organisation – it is key to how we work with our partners, communities and stakeholders.

The rapid pace of technological change means that we must be able to adapt quickly and invest to continue to improve, and in some places bring our systems up to present day expectations, to continue improving our service delivery and outcomes for the environment. In the past, information technology systems could be expected to provide services for 10 - 15 years, these days it is more likely to be 5 - 10 years which is placing pressure on both local government and the entire public service. New systems require investment in onboarding, implementation, and training. The standard of information being demanded by the Auditor General is also increasing. This is requiring investment in better systems and processes to meet these standards.

Over years 1-2 of the Long-term Plan, Council is intending to invest in new data and document management systems, core financial systems and reporting tools, a fit-for-purpose spatial platform for GIS and aerial imagery and asset management systems for the management of Rating District asset information.

## Climate change and natural hazards

The need to understand and address the increasing impact of climate change on communities is growing. While we can't predict earthquakes, scientific research indicates there is a 75% probability of an Alpine Fault earthquake occurring in the next 50 years, and there is a 4 out of 5 chance that it will be a magnitude 8+ event.

Planning for the impacts of a changing climate is an important consideration we apply across all of our work programmes. While some of this work has been undertaken over many years other projects have been included in this Long-term Plan for the next 1-3 years as we work with our communities to build resilience to the impacts of climate change.

Natural hazard investigations and the impacts of severe weather events and other hazards have led to new planning provisions being included in Te Tai o Poutini Plan (the combined district plan for the West Coast). A Plan Change to update the Regional Policy Statement natural hazard and flooding provisions is planned for year 1 of this Long-term Plan. These provisions provide the framework for how communities can grow and develop into the future.

Council's flood warning and telemetry information is some of the most accessed data on our website. Operating a comprehensive flood network of rainfall and river level recorders across the region supports flood warning and response activities. This information is also feeding into more sophisticated computer modelling to provide a predictive flood warning and forecasting system – this is increasingly important to prepare communities in advance of flood events and provide reliable data for flood mitigation infrastructure, planning and design. An upgrade to improve the reliability of the network has been planned for year 1.

On behalf of the community, we manage 23 rating districts throughout the region providing flood and erosion protection. Maintenance and renewals are undertaken on the direction of the respective rating community, and is dependent in many cases on affordability. A key component to managing these assets is improving the collection and recording of asset condition information. New asset management databases have been included in the technology upgrade planned for years 1 and 2.

When events do occur, we coordinate the emergency management response helping communities to respond to, and recover from, floods, earthquakes and other such disasters.

Work to improve our preparedness, and to mitigate and avoid the impacts of such issues is built into our work programmes across the *Infrastructure and Resilience*, *Natural Environment* and *Policy and Regulation* Activity Groups.

## Future funding support

With a new Government in place, there may be opportunity to seek funding support for various Council initiatives. It is unclear as to the nature of these initiatives during the drafting of this Long-term Plan, therefore any co-funding support required from the community will need to be consulted on in due course, either as part of a special consultative process or future Annual Plan.

## Technology investment

From 1 July, we are planning a significant investment in the back-office services that keep this Council running.

We need to make major investment in our technology to meet the changing requirements of today's world, as well as meeting the needs of our customers to make working with us as easy and efficient as possible.

These upgrades have not been included as a consultation topic as we feel for the community's best interests, there is no alternative but to undertake this investment.



**Rapid advances to technology are changing the way we can gather, manage and share data.** This in turn, creates changing expectations from our communities around how they can access and utilise the information we hold.

## Briefing to the Incoming Government

**- Elevating New Zealand through development of the West Coast**

In December 2023, the West Coast Mayors, Chairs and Iwi submitted a briefing to the incoming government on the opportunities to work together to drive economic growth, enhance infrastructure and community resilience, and promote sustainable practices across key sectors within the region. The purpose – to create a strong investment climate, stimulate job creation and enhance the quality of life for our community, as well as to contribute to economic growth for New Zealand. There are significant opportunities available for the region provided that the right regulatory settings are put in place and critical infrastructure is invested in.



**We are extremely optimistic about the future of our region. There are significant opportunities for economic development leading to greater employment and prosperity for our communities.**

## Highlights from the last Long-Term Plan

### 2021 – 2022

- **Kawatiri Business Case** submitted to Minister the Minister of Local Government seeking co-investment for Westport resilience projects.
- Notification of the **Proposed Te Tai o Poutini Plan** (combined district plan for the West Coast).
- Final piece of the **Buller River flood monitoring system** installed and commissioned.

### 2022 – 2023

- Operational **evacuation plan completed** for Westport.
- Completion of the **Kawatiri Scour and Organs Island** emergency protection works.
- Council's partnership with **Poutini Ngāi Tahu** formally recognised – awarded the Best Practice Award in Consultation and Participation Strategies by the NZ Planning Institute for the Mana Whakahono ā Rohe Arrangement.
- Confirmation of the presence of **Great Spotted Kiwi** on Mount Te Kinga.

### 2023 – 2024

- **Waiho River** Management Strategy.
- Increasing **capability and capacity** of staff resources.
- Commencement of the **Westport Flood Protection** project.
- First identification of **South Island Kaka** on Mount Te Kinga by Council staff.
- Undertook **major consenting projects** representing real economic development – TiGA, Westland Mineral Sands.
- Opening of the **Regional Council Westport office** as part of the flood protection project in April 2024.
- **'One Voice'** briefing to the incoming government prepared on behalf of the West Coast Mayors, Chairs and Iwi – a pivotal document to elevate the development of the region.

# Specific Opportunities and Challenges

## Westport

Westport was hit by severe flooding in July 2021 and February 2022. It is likely to face further flood events in the future.

The West Coast Regional Council, Buller District Council and Te Rūnanga o Ngāti Waewae, on request of the Minister for Local Government, submitted a proposal for co-investment to improve Westport's flood resilience. In Budget 2023, the Government set aside \$22.9 million for a number of flood resilience initiatives.

There is a significant programme of work ahead of both the Regional and District Council over the next three years. The Councils are committed to working together to present, where possible, joint community engagement processes in progressing these works.



A Regional Council Westport Office will be opening in April 2024 to support the flood protection project. This will also act as a hub for community engagement and consultation for the scheme.

### For the Regional Council, the funded packages of work include:

- **15.6M** (plus up to \$10.2M from the Regional Council) for floodwalls to reduce the risk of flooding.
- **\$1.5M** for the reforestation of the Organs Island area.
- **\$500,000** to improve local emergency management capability.
- **\$250,000** for a sea level monitor / tide gauge to improve early warning systems.

## Westport Rating District - Targeted Rates

We have commenced the building of flood protection infrastructure on behalf of the Westport Rating District. It is anticipated that project spend will be \$1.38M in the current 2023/24 financial year funded by \$1.03M of grant funding and \$0.35M in debt funding as the local share contribution.

As this works progresses, there will be ongoing financial implications. We want ratepayers in this area to be aware of what this means for their Targeted Rate.



Through the Financial Strategy, Council has elected to align debt repayment to the life of new assets (over 80 years), in particular the Westport Flood Protection Project, for inter-generational equity purposes.

### Year 1 Westport Targeted Rates

Will see \$0.75M drawn down for construction works. Debt is being used by Council for the local share contribution to spread the rating requirement and create intergenerational equity.

A financial cost of \$65,813 will be required from the Rating District (made up of interest charges of \$52,650 per annum, \$13,163 in principal repayments – repayments over 80 years, and maintenance costs of \$99,700 (1% of the capital value of the \$9.97M project to year 1 end).

**Total targeted rate for year 1 related to this project - \$165,513**

### Year 2 Westport Targeted Rates

An additional \$4.73M will be drawn down for another \$11.4M in construction works. With this second year of works, the targeted rate is forecast to increase to \$575,268 (made up of interest charges of \$289,150 per annum, \$72,288 in principal repayments and maintenance costs of \$213,830 (1% of the capital value of the \$20M project in year 2).

**Total targeted rate for year 2 related to this project - \$575,268**

### Year 3 Westport Targeted Rates

The final \$2.6M will be drawn down to complete the construction – a total local share of \$8.37M, all drawn down debt. At the conclusion of the project, the targeted rate is forecast at \$762,680 (made up of interest charges of \$418,400, \$104,600 in principal repayments and maintenance costs of \$239,700 (1% of the capital value of the \$23.97M project. These are per annum costs).

**Total targeted rate for year 3 related to this project - \$762,680**

# Waiho River Future Management Strategy

## In August 2023, Council engaged independent experts in hydrology, engineering and river modelling to develop a ten-year Management Strategy (the Strategy) for the Waiho River.

A community meeting was held in Franz Josef on 11 October for the Technical Advisory Group to present their findings and future considerations for managing the Waiho River and to seek feedback from local residents.

Continual aggradation due to a high sediment load and constrained river channel from flood protection works has resulted in ongoing issues. A recent avulsion into the Tatare Stream to the north has the potential to cause significant problems in the future, including threatening the Westland District Council's wastewater oxidation ponds, the closed Franz Josef Landfill, Milton and Others stopbank, State Highway 6, the ecological value of Lake Pratt, for occupation of the Stony Creek, Tatare and Top 10 Holiday Park areas, and the surrounding farmland.

The management strategy to date has always been one of control through protection structures such as stopbanks, revetments and groynes. The risk can be partially reduced by releasing the river to the south to occupy more of its floodplain (currently private farmland). However, substantial risk reduction is only realised once all stopbanks on the south side of the river are removed, including the State Highway stopbanks from the Waiho River bridge to Canavan's Knob. If the river is not released to the south, the risk of a north stopbank failure impacting the town and State Highway will increase with time.

Community feedback indicated 70% support of the proposed River Management Strategy provided that there were appropriate arrangements made for the buyout of property.

### Next steps:

West Coast Mayors, Chairs and Iwi are lobbying the new government, and writing to the Chief Executive of the Ministry of Business Innovation and Employment, to progress the release of funding for the South Side of the River now a plan for the future has been developed.

### This funding is for:

- Strengthening of the existing stopbanks on the south side to allow time for the Waiho River Future Management Strategy to be implemented.
- Strengthen the emergency management arrangements in conjunction with the local community.
- Progress the Waiho River Future Management Strategy for the southside.

Note that there is currently no funding included in the Long-term Plan for these projects. They are contingent on co-funding support being provided by Government.

## Our approach to reducing emissions

Not only does Council have a role in assisting our communities to adapt and mitigate against the impacts of climate change, we also have a role to play in the reduction of emissions. To progress this Council will need to measure its own baseline emissions.

Confirming Council's emissions baseline will be undertaken in year 1 of this Long-term Plan and will be used to determine what actions, and their associated cost, can be made to progress emission reduction.

### In the interim, Council is intending to undertake the following actions:

- › All new vehicle replacements will be hybrid vehicles except where a diesel ute(s) will be required to access specific offroad locations
- › Revegetation of Organs Island as a wide area of indigenous riparian forest as part of the Westport Flood Resilience project
- › Tender documents will include provisions to ascertain how contractors intend to reduce or offset their emissions, considerations that will be given a weighting through the evaluation processes.



The financial implications of any outcome from the emission baseline investigation can be consulted on through future Annual Plan processes or built into the 2027 Long-term Plan development.



# Must do projects and work programmes

## As the Long-term Plan has been developed we have redesigned the Groups of Activities to better reflect the work areas of Council.

This includes reviewing the various levels of services, performance measures and targets so that they represent a more modern and contemporary set of measures in the current context and better assess our service to the community.

A summary of our Groups of Activities and work programmes is outlined below. For more information, the Groups of Activities, Levels of Service, performance measures and targets is available on the Long-term plan Consultation webpage at [www.wcrc.govt.nz/community/consultation](http://www.wcrc.govt.nz/community/consultation)

## Legislation changes

A new Government elected in 2023 has started having an impact on the legislation which applies to Regional Councils including the roll back of the Resource Management Act reform. There are likely to be other changes which may impact Council work programmes, for example Significant Natural Areas and the Freshwater Reforms.

Where possible, these changes will be incorporated into this Long-term Plan as we work through the consultation, hearings and decisions process, or through the Annual Plans over the next few years.



## Regional Leadership

The Regional Leadership Group of Activities provides effective, transparent governance on behalf of the community while ensuring that Council operates within statutory requirements. It combines a wide range of activities that allows the organisation to take a strategic outlook, coordinate actions with other partners in the region and continue to build a meaningful relationship with communities and Poutini Ngāi Tahu.

This Group of Activities also encompasses the essential corporate and support functions required to support staff in delivering on the levels of service committed to as well as ensuring Council is operating in an efficient, accountable and legislatively compliant manner. These systems need to be future-proofed to support the work carried out on behalf of the environment, economy and community.

Communication and engagement functions assist with connecting Council with the community. Connecting the community in a timely and accessible way to decision-making, and the work of Council is critical. Council will be working to modernise information available to the public by building a fit-for-purpose spatial platform, including updated aerial imagery and natural hazards data.

**This Group of activities includes** Governance, Working together with Poutini Ngāi Tahu, and the back office functions which support the organisation including finance, customer services, information technology, human resources and communications.



## Commercial Activities

Council has several investments and commercial operations. Surplus revenue generated by this Activity Group will be used to supplement the General Rate reducing the rating burden on ratepayers where possible.

Commercial activities include Council's quarries and Vector Control Services (VCS) business unit. Growing these commercial activities to reduce the reliance on rate funding is central to the management of this Group of Activities.

**This Group of activities includes** the Investment Portfolio and Council's commercial operations – VCS and Quarries.



## Infrastructure and Resilience

The choices made in the past on where communities become established and do business have made them susceptible to the impacts of natural hazards. The short and long-term impacts from natural hazards and climate change have on people's homes, businesses and well-being can be devastating. There is a need to adapt, or defend as required, to build resilience and work together with communities to be better understand and be prepared (and recover faster from) future events and emergencies. This remains a key focus of this Long-term Plan.

Council's priority for the next ten years is in supporting communities with the management and administration of their rating districts, building the resilience of the region through emergency management functions, lifting the robustness of the hydrology network to provide greater flood warning information and building awareness of the natural hazards communities live within.

This Long-term Plan contains an Infrastructure Strategy which identifies the four most significant issues for the flood and erosion protection schemes on the West Coast and how Council intends to manage these.

We know that we have incomplete asset condition information and are investing in more robust systems and processes to better inform decision-making for our Rating Districts. There is a considerable work programme ahead of us as the Westport Flood Protection Project progresses and other potential projects may come online provided Government co-funding becomes available. Recruitment of new engineering staff, and managing external contractors closely, will assist in the timely delivery of these projects and improving the management of information for these assets.

The West Coast is exposed to a wide variety of natural hazards that impact on people, property, infrastructure and the environment. The Resource Management Act requires that natural hazard risk and climate change are addressed as part of the planning across the region. While this work is funded under this Group of Activities, the outcomes contribute to work programmes across Council.

### **This Group of activities includes**

Infrastructure – flood and erosion protection, Emergency Management, Flood warning and Natural Hazards.



## Natural Environment

The West Coast natural environment is generally in good shape, particularly when compared to other parts of New Zealand. However, some of our land, water, air and ecosystem resources are under pressure. Council is constantly collecting information on the quality of natural resources across the region to gain a better understanding of issues and emerging trends.

Council's environmental science monitoring programme involves the interpretation of data and reporting on the state, conditions and use of land, air, water, coast and marine resources within the region and reporting against relevant standards and guidelines. Science investigations into causes and effects are undertaken as well as new and existing initiatives to improve environmental outcomes. Regional resource management plan changes are supported with science, so that plan changes are informed with rigorous evidence.

Council has a statutory responsibility for monitoring the State of Environment locally. This is reported on formally every three years. Along with more frequent updates, this provides information on any risks of resource use as well as informing policy review and development. It also enables Council to respond in a timely manner to any adverse effects from resource use from an operational perspective. Water quantity information is gathered through the hydrology work undertaken by Council under Flood Warning and the Infrastructure and Resilience Group of Activities.

Part of protecting and enhancing the biodiversity and natural environment of the West Coast is through the work undertaken in biosecurity. Pest management is a core function of Council and is implemented through the Regional Pest Management Plan as well as monitoring, and if required, enforcement. Council's role in biodiversity is limited, with work focused on the Predator Free Te Kinga project, recognising the significant amount of land administered by the Department of Conservation across the region.

### **This Group of activities includes**

Monitoring of our water and air resources, Biodiversity and Biosecurity.



## Policy and Regulation

The natural resources of the West Coast are critical to the wellbeing of the region and its community. Council has a range of activities to manage our natural resources, which if done well, can benefit both the environment through the protection accorded, and regional communities by having pragmatic planning documents and effective consenting processes enabling ease of business and development.

Considerable work is required to ensure Council's regional planning documents are up to date. Reviews undertaken will be based on robust evidence gathered through the various monitoring programmes. Government reform will likely continue to influence much of Council's work over this Long-term Plan in the review of planning frameworks.

Regional plans are implemented through administering consents and undertaking compliance monitoring and enforcement. Council's work over many years is now paying dividends within the dairy sector which is enabling a shift in focus to the monitoring of other areas activities where compliance can be further enhanced. Given the extent of the region there is a reliance on the public alerting us to potential issues. Investigating environmental complaints is an important part of the work Council does to safeguard the environment.

### This Group of activities includes

Resource Management Act Policy and Planning, Consent activities, Compliance activities, Transport activities (including Total Mobility), Navigation and Harbour Safety. It also includes Council's responsibility to provide for marine oil spill planning and response.

## Regional Plan Reviews

Many of our Regional Plans have reached, or are reaching, the end of their 10-year operative lives. Significant work is required to review and update them based on the current legislative environment and environmental pressures.

### Regional Policy Statement

Requires a Plan change to incorporate latest information and changes in legislation in regards to natural hazards, flooding provisions and other matters.

### Regional Land and Water Plan

Expires in 2024.

Plan change required to incorporate freshwater management provisions and to review and update other matters.

### Regional Coastal Plan

Expires in January 2026.

A full review was commenced in 2023.

### Regional Air Plan

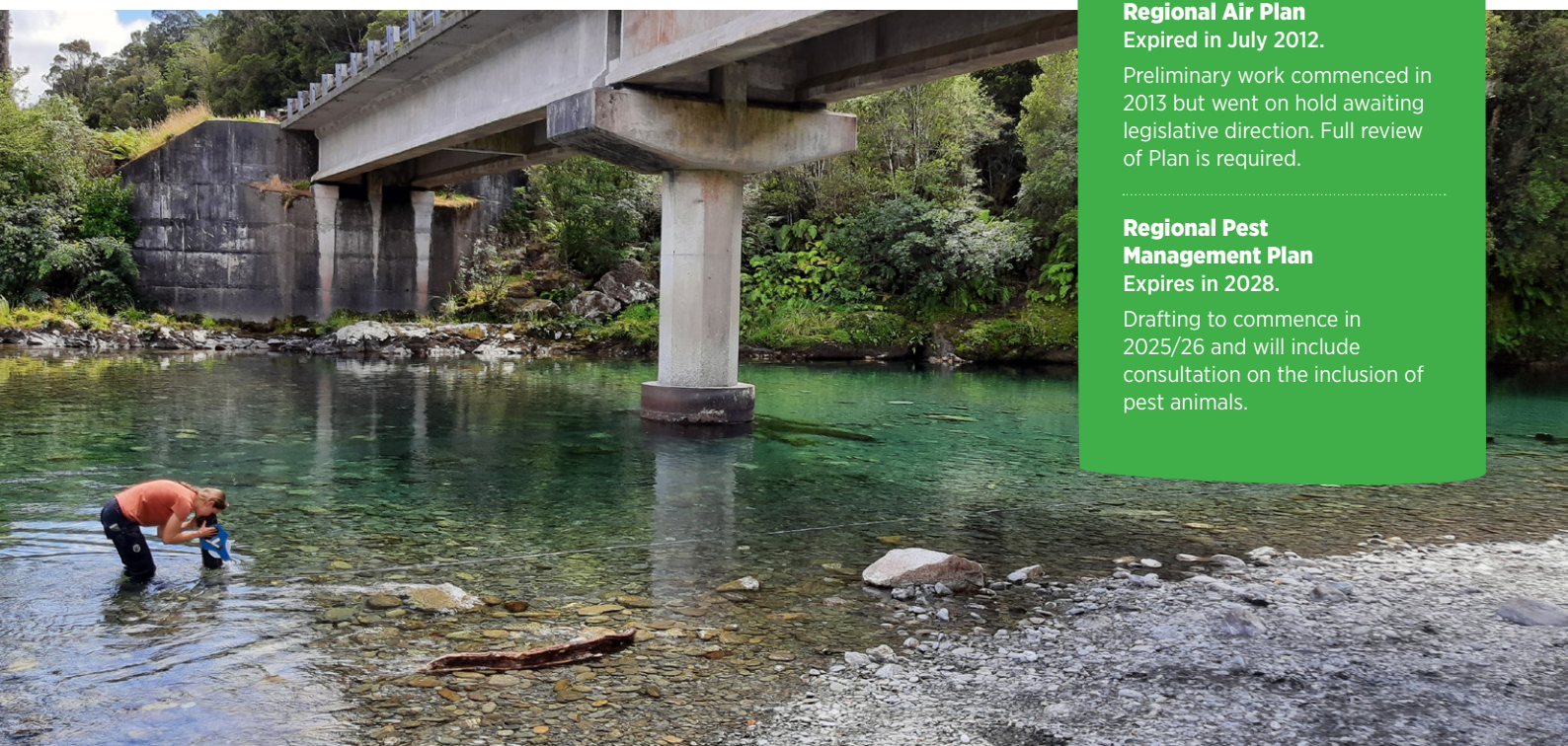
Expired in July 2012.

Preliminary work commenced in 2013 but went on hold awaiting legislative direction. Full review of Plan is required.

### Regional Pest Management Plan

Expires in 2028.

Drafting to commence in 2025/26 and will include consultation on the inclusion of pest animals.



# For the Future

If there are significant changes to our work programmes over the next three years we will need to seek your feedback through the Annual Plan process. At this stage we believe we have included everything we need to within this Long-term Plan, however we have identified that there may be some changes as a result of a review to be undertaken on the rating districts. Find out more below.

## Rating District Review

**Council currently administers and manages flood and erosion protection assets for 23 rating districts across the region.**

The way in which the rating districts have been established, and decisions made at the time, have resulted in a range of different rating scenarios being set, for example they are rated on multiple classifications within one rating district which can be based on capital value, land value or land area. The quantum of rating districts and various characteristics of each creates a level of complexity and inefficiency for their ongoing management.

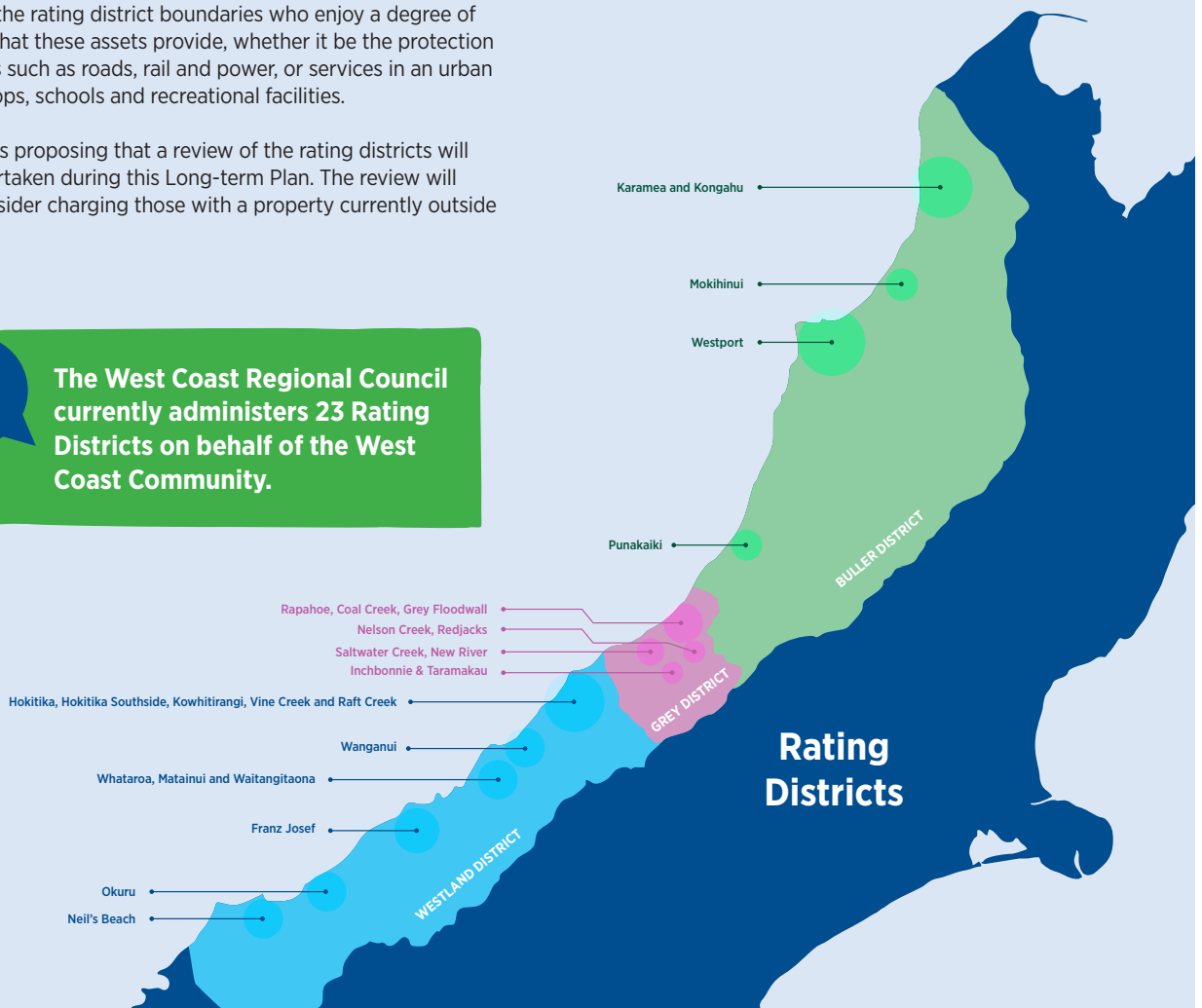
The construction of the majority of rating district assets were undertaken during the time where Government provided subsidies of 3:1. Ongoing renewals, maintenance and other costs are borne primarily by those afforded protection from the assets. There is a significant number of ratepayers that live outside the rating district boundaries who enjoy a degree of benefit that these assets provide, whether it be the protection of assets such as roads, rail and power, or services in an urban area, shops, schools and recreational facilities.

Council is proposing that a review of the rating districts will be undertaken during this Long-term Plan. The review will also consider charging those with a property currently outside

of a rating district a 'flat fee' to go towards the ongoing maintenance and renewal of rating district infrastructure across the region. This flat fee is similar to the uniform annual general charge and would be a set amount accorded to each property regardless of its size or capital value.

The majority of Regional Councils around New Zealand have a percentage of their general rate that goes to the ongoing maintenance of their region's rating districts. The West Coast has 22,678 rateable units with approximately 16,000 of these already paying into a rating district. This new fee would not capture those properties already paying targeted rates for flood and erosion protection. The new fee would recognise that everyone who lives on the West Coast benefits from the rating districts, spreading the load for ongoing maintenance and renewals, and providing a service all benefit from.

**The West Coast Regional Council currently administers 23 Rating Districts on behalf of the West Coast Community.**



# Consultation Topics

Have your say!

We need your feedback now. Under the Local Government Act, Councils must show what their preferred option is. However, this is not final and is why it is important that we hear from you. Feedback received from submitters is worked through by Council before a final decision is made.

At the back of this consultation document you will find our feedback form, or simply head to [www.wcrc.govt.nz/community/consultation](http://www.wcrc.govt.nz/community/consultation) to give us your feedback online.

## Long-term Plan Consultation Topics:

- › Balancing the budget Page 13
- › Predator Free Te Kinga Page 15
- › Our updated Strategies and Policies Page 16
- › Changes to our User Fees and Charges Page 18
- › Transfer of ownership of the Grey Floodwall and Havill Wall (Franz Josef) Page 19

### Topic 1

## Balancing the budget

### We need to talk about money

Apart from the last Long-term Plan, Council has attempted to increase rates in very small increments. This is despite the requirements on the organisation growing. This requires appropriate resourcing to deliver the capital projects programmed and the investment to ensure Council is fit for purpose to deliver on the community's expectations. It's essential that we have a clear and prudent approach to aligning our expenses with our income, which includes rates. This is called a balanced budget and looks out 10 years. Over the past two years, the shortfall between Council's revenue and expenditure has been funded by debt. This is not sustainable.

### Our rate requirement is increasing in year 1 of the Long-term Plan. The main drivers of this are:

- Increasing Council resourcing to rebuild the corporate service functions and implement new IT systems
- Reviewing our Regional Plans
- Progressing Te Tai o Poutini Plan (the combined district plan for the West Coast)
- Commencing construction of the Westport Flood Protection Project.

We need to check in with you on what you think about our preferred option for achieving a balanced budget.

Other means to reduce the rates requirement, including using dividends from our investments as well as how to trim other work programme areas and exploring external revenue sources have been investigated. Despite some assistance from these sources, a significant increase in rates is still required in year 1, and then in subsequent years, to meet the increase in operating expenditure so that we achieve a balanced budget.

While the proposed increase in rates is large in percentage terms, the dollar amount in rates, particularly for the general rate collected is relatively small.

# Balancing the budget

## How are we proposing to solve this funding issue?

There are two options to consider:

### Option 1



#### Smooth rate increases through borrowing

Council's total rate requirement for 2024-25 is an increase of 20.8%. This is proposed to be funded by:

- Increasing the General Rate by 27% in year one, followed by 12% in year two and then increases of no more than 7.5% per year; and
- Increasing the Targeted Rate by 10% in year 1, 20% in years two and three, followed by increases of no more than 7.5% from year four for the remainder of the Long-term Plan.

Debt would be used to fund the operational expenditure for Te Tai o Poutini Plan (combined District Plan) and any project costs related to the restructure of the organisation (i.e. in the Corporate Services department). An operational cash deficit is forecasted for the first three years of the Long-term Plan before returning to surpluses in year four onwards. These surpluses will be used to pay down debt that has been used to smooth the impact on rates.

This approach addresses the required increase in rates head on as opposed to a number of years of large increases. Extending the time before returning to surplus would not provide any further benefit to the community as it increases the debt Council holds resulting in more to be paid back over time.

While there is more risk to the community under this proposed funding option due to external factors such as changes to central government requirements, interest rates and other matters outside of our control, we consider that this is the most appropriate approach to offset the initial rating increase as ratepayers are also being affected by the 'cost of living crisis'.

#### But what will that cost me?

	Year 1	Year 2	Year 3
Per \$100,000 CV*	\$54.82	\$61.39	\$66.00

\*Capital Value of your property + GST

### Option 2

#### Fund increases through rates

Council's total rate requirement for 2024-25 is an increase of 20.8%. An alternative way to fund it is by:

- Increasing the General Rate by 44% in year one, followed by 12% in year two and then increases of no more than 7.5% per year; and
- Increasing the Targeted Rate by 14% in year 1, 20% in years two and three, followed by increases of no more than 7.5% from year four for the remainder of the Long-term Plan.

This is not our preferred option due to the significant rating increase this would impose in the first year and the sustained increases of this rating level in the following years.

#### But what will that cost me?

	Year 1	Year 2	Year 3
Per \$100,000 CV*	\$64.14	\$71.83	\$77.22

\*Capital Value of your property + GST

#### Note:

- The total amount paid will vary across the region and increase as the capital value of your property increases.
- Other targeted rates relating to flood and erosion protection may be payable depending on the location of the property.
- Refer to the Rates Affordability Benchmark graph years 4-10 page 65 of the draft Long-term Plan.



**Topic 2**

# Predator Free Te Kinga

**Launched in May 2020, the Predator Free Te Kinga project aims to eradicate possums and reduce the pest population from 3,700ha of Mt Te Kinga as part of a coordinated predator control programme across the wider Lake Brunner basin.**

Since commencement of the project, populations of great spotted kiwi have been discovered on the mountain, rare fernbirds have been seen towards the summit, and NZ falcon, kea and kaka have been spotted within project boundaries. A local farmer noted that she has not seen kaka in the area for many years, although they used to be relatively common. Reduction in possum numbers may have also led to a resurgence in some highly palatable species such as southern rata, kamahi and totara. Native white clematis blooms have been particularly prominent this year within the area.

Through the successful implementation of the programme, the Te Kinga project has led to outcomes other than purely environmental protection. Partnering with other organisations, landowners and community groups that have complementary goals has resulted in:

- The education of rangitahi to achieve a level three in pest management in partnership with the Papa Taiao Earthcare and West Coast Trades Academy.
- Interaction with Moana School through visits and support with their trap lines.
- Supporting farmers within the project area with pest management.
- Building community awareness and understanding of the benefits of the project through outreach days.
- Developing a volunteer base to carry out trapping work in the surrounding farmland and lifestyle blocks.
- Information sharing with other projects throughout New Zealand to help develop a coordinated approach and better technology towards the national predator free goal.

The support of the local community and landowners for the project has also been significant, enhancing a greater connection to the surrounding environment.

Currently, years 1 and 2 of this project are funded externally in the Long-term Plan by Predator Free 2050. This funding will cease in year 3.

**Future funding of Predator Free Te Kinga? There are two options to consider:**



## Option 1

➤ **Using rates to support the continued delivery of this project**

Fund \$87,470 in year 3 of the Long-term Plan to continue the delivery of the Predator Free Te Kinga Project. Projected future costs for delivering this project are expected to increase at the rate of inflation applicable to wages and broader expenditure.

➤ **But what will that cost me?**

	Year 1	Year 2	Year 3
Per \$100,000 CV*	N/A	N/A	\$0.93

\*Capital Value of your property + GST

## Option 2

➤ **Cease delivery of this project**

Council ceases involvement and delivery of the Predator Free Te Kinga Project. If there is no other organisation, Trust or Group that is willing to fund and deliver ongoing protection then the gains made and identified above will be eroded over time as predators become re-established.

➤ **But what will that cost me?**

There would be no cost to the ratepayer.



For more information on the Predator Free Te Kinga project go to [www.wcrc.govt.nz/environment/biosecurity/predator-free-te-kinga](http://www.wcrc.govt.nz/environment/biosecurity/predator-free-te-kinga) or check out 'Predator Free Te Kinga' on Facebook for the latest news and information.



# Other matters for consultation

**The three yearly Long-term Plan process provides Council with an opportunity to review and amend policies that impact the social, economic, cultural and environmental wellbeing of our communities. Now is the time for you to provide feedback on our Strategies, Policies and other matters.**

## Financial Strategy

The Financial Strategy is Council's high-level document guiding financial management. It provides a guide to Council on how to operate its finances in a prudent and sustainable manner and to develop and maintain a strong and resilient balance sheet. Among other things, the Strategy sets out a number of overarching financial principles for Council to consider when reviewing various financial decisions and it provides a sensitivity analysis for Council to be aware of the potential impact from various unplanned events and provides guidance and the levers at our discretion to react to those events.

This Financial Strategy has been reviewed to provide a more strategic focus for Council. Areas of change include a revision of the Council's decision-making principles and new debt repayment term assumptions – high investment and rate increases in the first 3 years followed by a more conservative return to a new business as usual level of financial prudence. The Strategy identifies considerable debt draw-down in support of significant new capital works driven by central government support.

## Significance and Engagement Policy

Understanding the needs and wants of our communities helps inform the decisions we have to make. The more significant the issue, the more important it is that we engage with the people who are more likely to be affected. Our Significance and Engagement Policy sets out when we will engage with our community and how we will do it.

Only minor changes have been made to this Policy in the updating of the Addendum which lists our strategic assets.

## Revenue and Financing Policy

Our Revenue and Financing Policy details how each of its activities should be funded, whether through rating, fees and charges, or other sources of income like government grants or subsidies. In determining who pays, we have considered who benefits from each activity, how much they benefit and whether anyone else has played a part in causing the issue.

In this Long-term Plan we have redesigned our Groups of Activities to better reflect the work areas of Council. This includes reviewing the various levels of services, performance measures and targets so that they represent a more modern and contemporary set of measures in the current context and better assess our service to the community.





**What do you think?**

For more information you can read a copy of the proposed Policies and Strategies in full at [www.wcrc.govt.nz/community/consultation](http://www.wcrc.govt.nz/community/consultation)

**► Infrastructure Strategy**

Our Infrastructure Strategy is focussed on the management and administration of flood defences and river and coastal protection structures on behalf of 23 rating districts across the region. While Council does not have a legal requirement to build and maintain flood and erosion schemes, it does so under the agreement and instruction of its beneficiaries; the rating districts.

Importantly, this strategy identifies the assumptions, risks and uncertainty that underpin the proposed approach. This includes, for example, uncertainty about future levels of service given the impact of climate change and affordability for ongoing maintenance and renewals for some rating districts.

We have made the following assumptions in regards to our infrastructure delivery in the development of this Long-term Plan:

Forecasting Assumption	Risk	Level of Uncertainty	Reasons and Financial Effect of Uncertainty
<b>Capex do-ability resourcing</b>	The forecast capital expenditure may not be able to be completed within the predicted timeframes.	▲ High	Council is confident that it will have the capacity required in-house, and will be able to source the appropriate external capacity, to achieve the proposed capital works programme. To ensure that Council can plan ahead in areas that require resource consents, professional contractors will be engaged and overseen by project managers. There is always a risk that the people needed will not be available when required. This can lead to delays in completing projects. This is managed by including timing expectations in respective procurement processes and maintaining regular and early communication with contractors so that plans can be adjusted and the risk of delays reduced.
<b>Asset condition</b>	Council has incomplete asset condition information leading to uncertainty over the timing for maintenance and renewals.	▲ High	The assumption has been made that Council has low quality or incomplete asset condition knowledge and this could lead to poor infrastructure capital decision making. It could also lead to poor maintenance planning assumptions or incorrect timing of renewal capital works. Council is committed to improving knowledge of its asset conditions through both process and technological improvements within the next two years and increasing professional asset management capability and capacity within the organisation.  A further assumption has been made that all assets will deliver the required level of service over their documented useful life. However, incomplete asset information could allow critical asset failures before they are scheduled for planned maintenance and renewal and could lead to loss of service for a period of time. Where this loss of service is found to be the case, Council will consult with communities around the affordable levels of service will be in the future. It is likely that any conversation of this nature would result in a decrease in service levels without significant reinvestment requirements



### What do you think?

For more information you can read a copy of the proposed Policies and Strategies in full at [www.wcrc.govt.nz/community/consultation](http://www.wcrc.govt.nz/community/consultation)



## Rates Remissions and Postponement Policy

Council recognises the ongoing financial pressures being felt by the community. The Rates Remissions and Postponements Policy was updated as part of the 2021 Long-term Plan process. There are no changes proposed to this Policy.



## Remission and Postponement of Rates on Māori Freehold Land

Council is required to adopt a policy on the remission and postponement of rates on Māori freehold land taking into account the principles of the preamble to Te Ture Whenua Māori Act 1993 and the matters identified in Schedule 11 of the Local Government Act 2002. This policy is made under Sections 102, 108 of the Local Government Act 2002 and has been updated as part of this Long-term Plan process.

**The objectives of the Policy on the Remission and Postponement of Rates on Māori Freehold Land is to:**

1. To recognise that certain Māori-owned land may have particular conditions, features, ownership structures or other circumstances that make it appropriate to provide relief from rates.
2. To recognise that the Council and community benefit through the efficient collection of rates that are properly payable and the removal of rating debt that is consider non-collectable.
3. To support the connection of mana whenua and Māori to their traditional lands and resources, and cultural values, where appropriate through the short, medium and long term relief from rates.
4. To meet the requirements of the Local Government Act 2002 and to support the principles in the preamble to Te Ture Whenua Māori Act 1993.



## User Fees and Charges

Alongside the development of the Long-term Plan, we have reviewed our User Fees and Charges to ensure they are fair, cover actual and reasonable costs, and that those who benefit from our services are the primary contributors to avoid these being subsidised by the general rate.

**Changes to existing fees:**

- A total increase of 14% for all fees and charges on those set in 2021 to reflect the actual rate of inflation over this time. . This includes the staff charge out rate.
- Fees for the review of consents under section 128 of the Resource Management Act have been clarified.
- Increase in consent processing costs to reflect the additional time required to undertake this activity.
- Consented gravel take fee will apply to all consented gravel takes over 100m<sup>3</sup>. The fee is proposed to increase from 15c/m<sup>3</sup> to 25c/m<sup>3</sup>.
- Fees for Biosecurity activities have been clarified.

Dairy monitoring inspections will be reduced over time recognising the good compliance record in this sector.

If you hold a resource consent, or use our other services, these changes will apply to you. A detailed list of all changes can be found in the front section of the Draft User Fees and Charges Schedule. This is available on our website at [www.wcrc.govt.nz/community/consultation](http://www.wcrc.govt.nz/community/consultation)



# Other matters we are consulting on

## Grey Floodwall transfer of ownership

The Grey Floodwall is a strategic asset which is currently under ownership of the Grey District Council. The Grey Floodwall is made up of a number of different components, including but not limited to the wall itself, flood banks, pipes, floodgates, drainage ducts and pumps. Some of these are flood protection assets and some are stormwater assets. **It is proposed to officially transfer ownership of the flood protection assets to the Regional Council during year 1 of the Long-term Plan.**

The floodwall structure ownership by the Grey District Council is the result of a historical decision. All costs for it are paid by the Regional Council including insurance, maintenance and renewal costs. The Regional Council also rates for the floodwall and makes all operational decisions with regards to it. The proposal to transfer ownership of the asset to the Regional Council is therefore a logical one.

A Joint Floodwall Committee has been established to help manage the asset, with both Councils having representation on this Committee. The asset transfer will not change this arrangement, although it will be timely to review the terms of reference for the Joint Committee to ensure they are up to date.

No conflicts of interest regarding the proposed transfer have been identified. A condition assessment will be undertaken on the assets to be transferred prior to the transfer taking place. Financial implications relate to maintenance and operational budgets which are not included in the Long-Term Plan financial forecast or targeted rates. If Council does takes over the flood protection assets there is likely to be some increased costs relating to the depreciation and maintenance of some of these.

## Havill Wall (Franz Josef) transfer of ownership

The Havill Wall is a strategic asset which is currently under the ownership of the Westland District Council. **It is proposed to officially transfer ownership of this asset to the Regional Council during year 1 of the Long-term Plan subject to Council confirmation of a suitable condition assessment.** This process ensures that upon any transfer, the asset is at a service level consistent with its required design.

The Havill Wall was built in 2017 by Westland District Council to provide protection to the oxidation ponds and wider community following a flood event in 2016. Multiple other flood protection structures on the Waiho River are managed by the Regional Council as part of the Franz Josef Rating District, and management of such assets is part of the core business of this Council. The proposal to transfer ownership of the asset to the Regional Council is therefore a logical one with it to become a wider part of flood protection for the community.

A Joint Committee has been established to help manage the assets of the Rating District, with both Councils having representation. While community membership on the Committee is being revised this is not anticipated to impact the transfer of the asset.

No conflicts of interest regarding the proposed transfer have been identified. Financial implications will relate to the ongoing insurance and maintenance costs of the asset which are not included in the Long-term Plan financial forecast or targeted rates.

# Budget Summary

## What does the work cost?

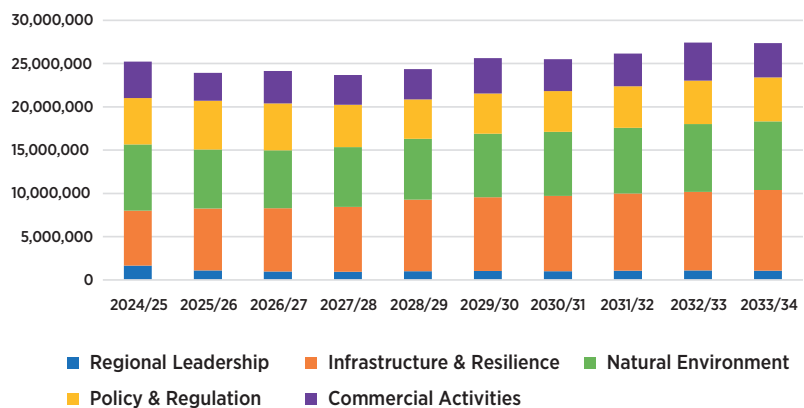
As we have explained throughout this consultation document, rates have been held artificially low for many years. The shortfall between Council's revenue (made up of rates, user fees and charges, dividends, subsidies and grants) and its expenditure has been funded by debt. This is not sustainable.

Our annual budget for 2023/24 was approximately \$22.8M. To meet the challenges and requirements ahead of us we are expecting our total operating expenditure for all Council activities in year 1 to be approximately \$25.2M.

### 10-year expenditure budget

Council's work programmes are represented across five groups of activities. The proposed budget reflects the construction of the Westport Flood Protection Project as well as our regional policy and planning work, Te Tai o Poutini Plan and the work required to rebuild our Corporate Service functions.

### Expenditure



### Here's how our expenditure looks over the next 10 years

Activity Groups	2024 - 25	2025 - 26	2026 - 27	2027 - 28	2028 - 29	2029 - 30	2030 - 31	2031 - 32	2032 - 33	2033 - 34
Regional Leadership	1,644,632	1,109,222	975,559	942,971	1,001,975	1,031,955	999,575	1,074,917	1,096,863	1,067,591
Infrastructure & Resilience	6,351,346	7,138,715	7,296,962	7,484,224	8,263,235	8,523,218	8,701,619	8,916,958	9,094,317	9,336,143
Natural Environment	7,674,299	6,832,793	6,710,624	6,921,291	7,038,494	7,350,053	7,422,718	7,576,954	7,819,910	7,916,778
Policy & Regulation	5,343,894	5,642,654	5,425,400	4,903,144	4,550,526	4,654,679	4,685,868	4,811,120	5,013,291	5,071,690
Commercial Activities	4,227,017	3,209,564	3,742,527	3,442,788	3,524,151	4,068,780	3,698,290	3,793,553	4,407,698	3,985,390
<b>TOTAL</b>	<b>25,241,188</b>	<b>23,932,949</b>	<b>24,151,072</b>	<b>23,694,419</b>	<b>24,378,381</b>	<b>25,628,685</b>	<b>25,508,069</b>	<b>26,173,502</b>	<b>27,432,079</b>	<b>27,377,591</b>

Note that there are no comparative funding figures for 2023 - 24 as Council has taken the opportunity to reset its business to better reflect the organisation's work areas. The number of Activity Groups has decreased from seven to five as part of this.



For more information about what these Activity Groups deliver, refer pages 9-11 of this Consultation Document.

# How will we pay for it?

**We are facing increasing costs, and there's a balance between what work needs to be done and what we can reasonably ask our community to contribute.**

While your rates go a long toward paying for the work we do, we don't expect you to pay for everything. Where possible we are funding our work through a user pays approach, meaning that the order of funding preference is:

1. **User Fees and Charges**
2. **Targeted Rates**
3. **General Rates**
4. **Uniform Annual General Charge**

We also utilise subsidies and grants where possible.



### 10-year operating revenue budget

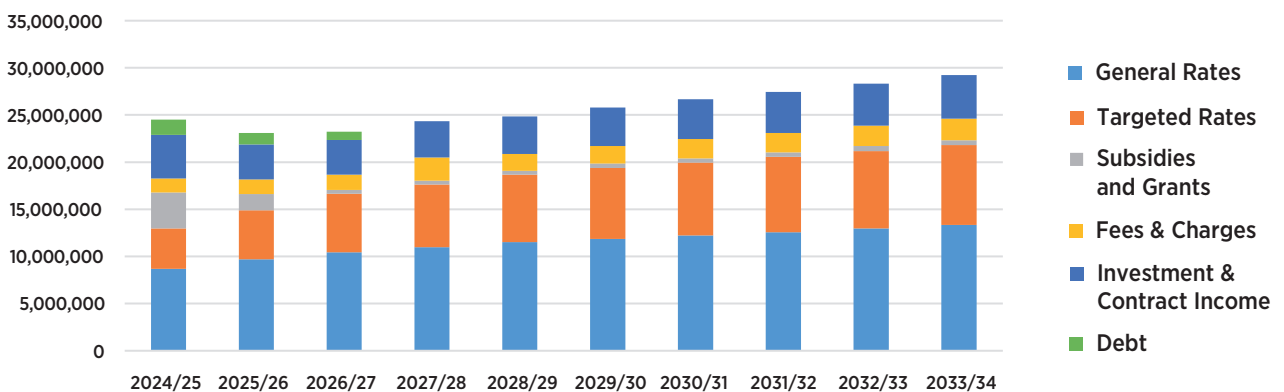
Council's funding largely comes from rates and user fees and charges, with grants and investment income making modest contributions.

## This is how we expect to cover our costs in year 1 of the Long-term Plan

REVENUE SOURCE	2024-25
General Rates	\$8,673,741
Targeted Rates	\$4,304,270
Subsidies and Grants	\$3,818,609
User Fees and Charges	\$1,465,231
Investment & Contract Income	\$4,633,471
Debt*	\$2,345,866
<b>TOTAL INCOME IN YEAR 1</b>	<b>\$25,241,188</b>

*\*Council is proposing to fund operating costs through debt for years 1 -3 to smooth the rates increase as per the Financial Strategy, before returning to surplus and paying back debt from year 4.*

## Here's how we expect to cover our costs over the next 10 years



# What does it mean for your rates?

**With the work required to be undertaken we have tried to lessen and smooth the load by spreading the increase over several years where we can and fund some activities through borrowing. Note that we are seeking your feedback on this approach as part of the consultation on this Long-term Plan which may change depending on what we hear from you.**

We are required, under the Local Government Act 2002, to have a balanced budget. In other words, we need to raise enough income each year to pay for our day-to-day work. If we are unable to balance the budget and we go into debt to fund our work, we need to demonstrate that we are taking a financially prudent approach to paying back that debt.

Increasing rates is not something we take lightly, and we have considered all options to fund the work that is being asked of us by our communities and central government, while rebuilding our finances to be sustainable for the future to enable us to deal with the challenges ahead, both known and unknown.

The rates invoice you receive from us later in the year will differ between properties and districts. As a rule of thumb, the increases stay in proportion to your property's capital value. Property valuations are undertaken on a three yearly cycle on the West Coast. The next round of valuations are:

- › 1 September 2024 Grey District
- › 1 September 2025 Buller District
- › 1 September 2026 Westland District

**Other targeted rates relating to flood and erosion protection for the rating districts across the region will also apply. For more information on these refer to the Detailed Rating Assessment [www.wcrc.govt.nz/community/consultation](http://www.wcrc.govt.nz/community/consultation)**

## Key financial statements

**We are proposing an increase in general rates in 2024/25.**

Due to the timing differences of QV valuations, the general rate per \$100,000 capital value is different for each district. The 2024/25 general rate per \$100,000 CV for each district is:

- › Buller District \$60.15 per \$100,000 CV (\$50.25 in 2023/24) GST incl
- › Grey District \$64.96 per \$100,000 CV (\$50.26 in 2023/24) GST incl
- › Westland District \$64.01 per \$100,000 CV (\$50.31 in 2023/24) GST incl

**We are proposing an increase in the UAGC from \$155.69 in 2023/24 to \$192.59 (GST incl.) in 2024/25**

**Rating District targeted rate examples are based on the rate requirement, or budgets, created by management. These are subject to change depending on the agreed outcomes of the rating district meetings to be held during April/May 2024.**

**The Targeted Rate for Te Tai o Poutini Plan (the combined district plan) has reduced from the 2023-24 Annual Plan due to all expenses now being paid for by debt whereas previously some costs had been funded through rates directly.**

**Our Financial Strategy outlines the funding approach in more detail.**



### What is a Uniform Annual General Charge?

Council introduced a Uniform Annual General Charge (UAGC) in 2018. A UAGC is considered a fairer way to spread the funding requirement for those functions and services that have no clearly identifiable benefiter, recognising that all ratepayers receive a base level of service regardless of the capital value of their property.

Whether you own a farm, house in town, lifestyle block or empty section you pay the same UAGC amount.

The UAGC is a component of Council's general funds and contributes to the following activities:

- Governance
- Working with Poutini Ngāi Tahu
- Emergency Management
- Flood Warning
- Monitoring of Air and Water
- Biodiversity/Biosecurity
- RMA Policy and Planning
- Regional Transport
- Consents and Compliance
- Commercial Operations



### Westport rating district

	Year 1	Year 2	Year 3
Total targeted rate increase (forecast LTP)	10%	20%	20%
Westport targeted rate increase (annual)	36%	248%	33%
Westport targeted rate increase (cumulative from 2023/24)	36%	374%	529%
Rate requirement cumulative increase for 2023/24 Targeted rate (Westport)*	\$165,513	\$575,268	\$762,680

\*The targeted rate for the Westport Rating District was \$121,332 in 2023-24



Due to construction of the Westport Flood Protection Project, there is a higher targeted rate demand on this rating district than elsewhere on the West Coast.

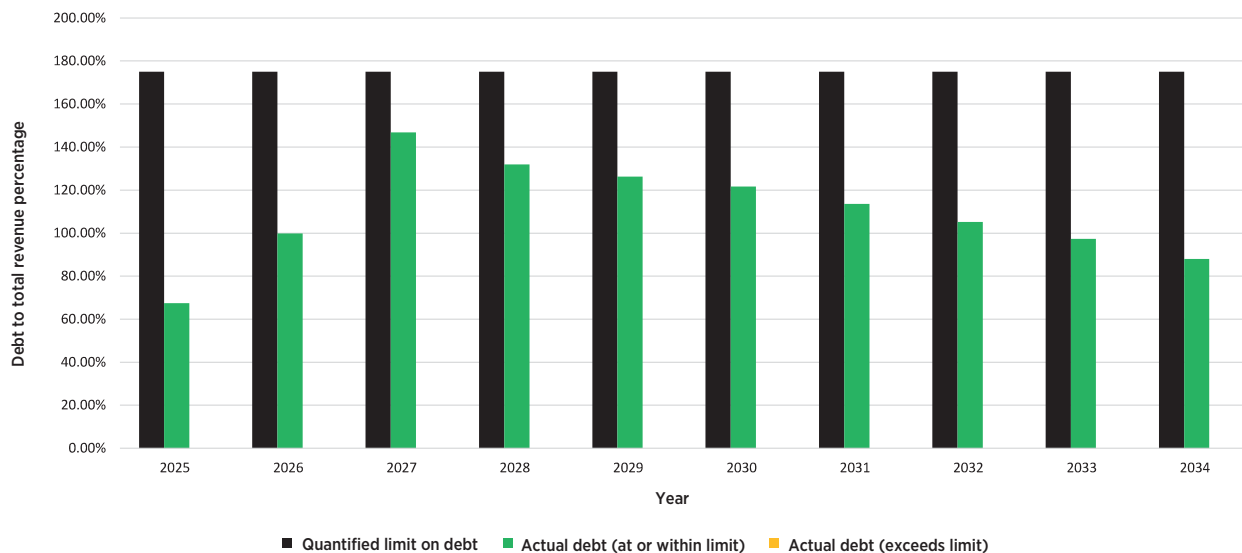
## What is the plan for borrowing?

**Like all Councils, we must set debt limits that cap our total borrowing. Our debt limit is set at 175% of total revenue, though in the past we have borrowed well under that level.**

To reduce the impact of a significant rate increase, we are proposing to spread expenditure across years and fund a

proportion of this through borrowing for the first 3 years. After this time, we will be able to start paying down this debt. This will provide much needed funds for the Westport Flood Protection, Te Tai o Poutini Plan, reviewing our regional plans and rebuilding the corporate service functions and information technology systems from year 1.

### Debt Affordability



# Rating Examples

Rating District targeted rate examples are based on the rate requirement, or budgets, created by management. These are subject to change depending on the agreed outcomes of the rating district meetings to be held during April / May 2024.

## The following rates will be payable by all properties in the Buller District

Rate per \$100,000 of Capital Value (GST incl)			
Rate description	23/24	24/25	Change
General Rate	\$50.25	\$60.15	\$10.20
<b>Targeted Rates</b>			
Emergency Management	\$10.17	\$14.75	\$4.58
Te Tai o Poutini Plan	\$15.22	\$3.99	(\$11.23)*
<b>Rate Description</b> Fixed charge			
Uniform Annual General Charge	\$155.69	\$192.59	\$36.31

*\*This is a decrease on the 2023-24 Targeted Rate*

### Rating District Targeted Rates

Other targeted rates relating to flood and erosion protection may be payable depending on the location of the property.

	Buller dwelling	Buller farm property
<b>Capital Value</b>	<b>\$300,000</b>	<b>\$3,000,000</b>
General Rate	\$180.44	\$1,804.36
Emergency Management	\$44.27	\$442.69
Te Tai o Poutini Plan	\$11.96	\$119.56
<b>Fixed Charge</b>		
Uniform Annual General Charge	\$192.59	\$192.59
<b>Total</b>	<b>\$429.25</b>	<b>\$2,559.19</b>

### Rating District Targeted Rates

Other targeted rates relating to flood and erosion protection may be payable depending on the location of the property.

## The following rates will be payable by all properties in the Grey District

Rate per \$100,000 of Capital Value (GST incl)			
Rate description	23/24	24/25	Change
General Rate	\$50.26	\$64.96	\$14.70
<b>Targeted Rates</b>			
Emergency Management	\$10.17	\$14.75	\$4.58
Te Tai o Poutini Plan	\$15.22	\$3.99	(\$11.23)*
<b>Rate Description</b> Fixed charge			
Uniform Annual General Charge	\$155.69	\$192.59	\$36.31

*\*This is a decrease on the 2023-24 Targeted Rate*

### Rating District Targeted Rates

Other targeted rates relating to flood and erosion protection may be payable depending on the location of the property.

	Grey dwelling	Grey farm property
<b>Capital Value</b>	<b>\$300,000</b>	<b>\$3,000,000</b>
General Rate	\$194.89	\$1,948.88
Emergency Management	\$44.27	\$442.69
Te Tai o Poutini Plan	\$11.96	\$119.56
<b>Fixed Charge</b>		
Uniform Annual General Charge	\$192.59	\$192.59
<b>Total</b>	<b>\$443.70</b>	<b>\$2,703.71</b>

### Rating District Targeted Rates

Other targeted rates relating to flood and erosion protection may be payable depending on the location of the property.

## The following rates will be payable by all properties in the Westland District

Rate per \$100,000 of Capital Value (GST incl)			
Rate description	23/24	24/25	Change
General Rate	\$50.31	\$64.01	\$13.70
<b>Targeted Rates</b>			
Emergency Management	\$10.17	\$14.75	\$4.58
Te Tai o Poutini Plan	\$15.22	\$3.99	(\$11.23)*
<b>Rate Description</b> Fixed charge			
Uniform Annual General Charge	\$155.69	\$192.59	\$36.31

*\*This is a decrease on the 2023-24 Targeted Rate*

### Rating District Targeted Rates

Other targeted rates relating to flood and erosion protection may be payable depending on the location of the property.

	Westland dwelling	Westland farm property
<b>Capital Value</b>	<b>\$300,000</b>	<b>\$3,000,000</b>
General Rate	\$192.03	\$1,920.27
Emergency Management	\$44.27	\$442.69
Te Tai o Poutini Plan	\$11.96	\$119.56
<b>Fixed Charge</b>		
Uniform Annual General Charge	\$192.59	\$192.59
<b>Total</b>	<b>\$440.84</b>	<b>\$2,675.11</b>

### Rating District Targeted Rates

Other targeted rates relating to flood and erosion protection may be payable depending on the location of the property.



# Audit Report



*To the reader:*

## **Independent auditor's report on West Coast Regional Council's consultation document for its proposed 2024-34 Long-Term Plan**

I am the Auditor-General's appointed auditor for West Coast Regional Council (the Council). The Local Government Act 2002 (the Act) requires the Council to prepare a consultation document when developing its long-term plan. Section 93C of the Act sets out the content requirements of the consultation document and requires an audit report on the consultation document. I have done the work for this report using the staff and resources of Ernst & Young. We completed our report on 9 April 2024.

### **Qualified opinion**

In our opinion, except for the possible effects of the matters described in the Basis for qualified opinion section of our report:

- the consultation document provides an effective basis for public participation in the Council's decisions about the proposed content of its 2024-34 long-term plan, because it:
  - o fairly represents the matters proposed for inclusion in the long-term plan; and
  - o identifies and explains the main issues and choices facing the Council and region, and the consequences of those choices; and
- the information and assumptions underlying the information in the consultation document are reasonable.

### **Basis for qualified opinion**

#### *Assumptions over the delivery of the capital programme*

As outlined on page 7, the Council is planning a significant new programme of capital works during the first three years of the long-term plan, with the aim of improving Westport's flood resilience. On page 17, the Council assumes that it will have the required in-house capacity, the ability to source appropriate external contractors, and obtain the required resource consents to complete the project within the planned timeframes.

We do not consider these assumptions reasonable as the Council has not completed the design phase for the full project. The Council is currently preparing the tender and resource consent applications for the initial two stages of the project (representing approximately 5% of the total project cost) and is less progressed in this regard for all other stages.

The Council may need to adjust its plans if delays in completing the project occur. We are therefore unable to quantify the possible effects that delays could have on the information underlying the consultation document.

#### *Impact of climate risks*

As outlined on pages 5 and 8 the Council assessed climate risks and the impacts thereof on the Council's work programmes. However, the Council has not used evidence-based data to consider the completeness of climate risks. For example, limited studies or external advice have been taken into account in assessing likely or possible future climate impacts and how the identified climate risks affect the Council's Infrastructure Strategy and forecast financial information.

Without the Council considering the above-mentioned evidence-based climate data, we are unable to quantify the possible effects that unidentified climate risks could have on the information underlying the consultation document.

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

We assessed the evidence the Council has to support the information and disclosures in the consultation document. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the consultation document.

We did not evaluate the security and controls over the publication of the consultation document.

### **Other Matter – Comparability of Expenditure Activity Groups**

Without further modifying our opinion, we draw attention to the table of forecast expenditure on page 20, which does not contain comparative 2023-24 expenditure at the Activity Group level, because the Council restructured its activity groups and did not reflect the new activity groups across the comparative years. Therefore, there is no direct comparability of the forecast information to historical financial information at an activity group level. Pages 9 to 11 provide more information on the restructure and the activities that fall under each activity group.

### *Responsibilities of the Council and auditor*

The Council is responsible for:

- meeting all legal requirements relating to its procedures, decisions, consultation, disclosures, and other actions associated with preparing and publishing the consultation document and long-term plan, whether in printed or electronic form;
- having systems and processes in place to provide the supporting information and analysis the Council needs to be able to prepare a consultation document and long-term plan that meet the purposes set out in the Act; and
- ensuring that any forecast financial information being presented has been prepared in accordance with generally accepted accounting practice in New Zealand.

We are responsible for reporting on the consultation document, as required by section 93C of the Act. We do not express an opinion on the merits of any policy content of the consultation document.

### *Independence and quality management*

We have complied with the Auditor-General's independence and other ethical requirements, which incorporate the requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* (PES 1) issued by the New Zealand Auditing and Assurance Standards Board. PES 1 is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We have also complied with the Auditor-General's quality management requirements, which incorporate the requirements of Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (PES 3) issued by the New Zealand Auditing and Assurance Standards Board. PES 3 requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other than our work in carrying out all legally required external audits, we have no relationship with or interests in the Council.



Brendan Summerfield  
Ernst & Young  
On behalf of the Auditor-General, Christchurch, New Zealand

We've told you our proposed plans for the next 10 years. Now, have your say and tell us what you think.

# Submission Form

Have your say!

All submissions are made available for public inspection. Note that names and feedback are included on papers available to the public and media. They can also be made public as part of Council's decision-making process (we will not make your phone or email details public). For additional room to comment, please include another sheet of paper.

## Your details

NAME/ORGANISATION

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STREET NO.

STREET NAME

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SUBURB

TOWN

POSTCODE

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EMAIL

PHONE

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## Submitting in person

All submitters have the opportunity to present their feedback to Council during the hearings process.

Please indicate your preferred option below:

I wish to speak to my submission

I do not wish to speak to my submission

## Consultation Topic One - Balancing the Budget

### Option 1

Smooth rates increases through borrowing

Or

### Option 2

Fund increases through rates

Further comments:

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## Consultation Topic Two - Predator Free Te Kinga

### Option 1

Using rates to support the continued delivery of this project

Or

### Option 2

Cease delivery of this project

Further comments:

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## Do you have anything further to add on our Long-term Plan?

Further comments:

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We are also seeking feedback on the draft Long-term Plan including our:

- › Financial Strategy
- › Infrastructure Strategy
- › Policies
- › User Fees and Charges
- › Transfer of ownership of the Grey Floodwall and Havill Wall (Franz Josef)



## We need your feedback!

Your submission must arrive at the Regional Council by 4.00pm Friday 10 May, 2024

Feedback can be provided either:

**Online:** [www.wcrc.govt.nz/community/consultation](http://www.wcrc.govt.nz/community/consultation)

**By email:** [feedback@wrc.govt.nz](mailto:feedback@wrc.govt.nz)

**By post:** Fill in a submission form and post to Long-term Plan, West Coast Regional Council, PO Box 66, Greymouth 7840



### What are the key dates?

