



**WEST COAST REGIONAL COUNCIL
MEETING OF THE REDJACKS RATING DISTRICT
ON
Thursday, 16 January 2025
6PM
At the West Coast Regional Council Chambers**

AGENDA

- 1. Welcome**
- 2. Apologies**
- 3. Minutes of last meeting**
- 4. Matters Arising**
- 5. Election of the Committee**
- 6. Signing of the Rating District Agreement**
- 7. Reports**
 - a. Insurance report
 - b. Asset Management system update
 - c. Finance Report
 - d. Annual Works Report
- 8. General Business**

Please let WCRC know if there is anything you would like discussed at this meeting that is not on the agenda by Friday, 10 January 2025

Please contact Lillian Crozier (lillian.crozier@wcr.govt.nz) or Shanti Morgan (shanti.morgan@wcr.govt.nz) with your queries.



WEST COAST
REGIONAL COUNCIL

THE WEST COAST REGIONAL COUNCIL

MINUTES OF THE ANNUAL MEETING OF THE RED JACKS CREEK RATING DISTRICT HELD AT THE WEST COAST REGIONAL COUNCIL CHAMBERS ON 15th MAY 2024, AT 6PM PM.

PRESENT

P. Donaldson, G. Donaldson, M. Hay, C. Levey, R. McLaughlin, D. McLaughlin, B. Jones, T. Donaldson,

IN ATTENDANCE

West Coast Regional Council
Cr B. Cummings, (Councillor)
D. Lew, S. Morgan, J. Mandery, L. Crozier (Staff)

APOLOGIES

Cr. P. Ewen, Cr P. Haddock, R. Norris.

P. Donaldson / T. Donaldson - Carried

WELCOME AND MINUTES OF THE LAST MEETING

Cr B. Cummings opened the meeting and welcomed those present. He introduced himself and the Council staff.

Discussed errors/name changes to be noted for the previous minutes before being moved/carried.

Moved: ***"That the minutes of the previous Annual Meeting held on 30 December 2021, be adopted as a true and correct record of that meeting."***

P. Donaldson / T. Donaldson - Carried

MATTERS ARISING

* Not all action points from the December 2021 and September 2023 have been completed.

It was stated that the rates strike that was moved and carried was not adopted by council, S. Morgan suggested we can discuss this when we get to the rates strike.

P. Donaldson discussed the rock weir, undercutting rock and the degradation of the creek bed, concerned once rock collapses it is going to affect the next generation.

Cr B. Cummings spoke to the last paragraph on the 8th of September 2023 Minutes, *the rock weir below the Kiwi Rail Bridge. In an email from Phillip McVicar (ex-Kiwi Rail Construction Manager) Phillip outlined when the bridge was replaced, the scour risk was accounted for without having the weir*".

P. Donaldson mentioned that the creek originally flowed north after the railway bridge for a considerable distance and was straightened to facilitate the dredge operation. He recalled a past meeting with Cr A. Birchfield where permission was requested to remove the rock weir. Cr A. Birchfield had stated that the railways had possibly taken the rock weir and placed it around the bridge. Cr B. Cummings noted that approaching the railways would be necessary. Donaldson also mentioned that Cr A. Birchfield had already approached the railways and that they no longer need the rock.

C. Levey highlighted that the creek bed is degrading and is at risk of undermining rockwork and stressed the importance of monitoring it to ensure it doesn't deteriorate further. The rating district wants to ensure that someone is responsible for this maintenance. Cr B. Cummings added that the rock was initially placed to protect the bridge.

J. Mandery asked if the rock was keyed in, to which P. Donaldson produced some photos. J. Mandery agreed to visit the site with Donaldson. S. Morgan noted that J. Mandery is currently working remotely but will be relocating permanently.

T. Donaldson emphasized that the rock groynes should be maintained. P. Donaldson showed J. Mandery a photo and pointed out to S. Morgan on the Asset Management Plan that a rock groyne located on Rodgers' side may need some maintenance. It was agreed that J. Mandery would monitor the situation.

P. Donaldson raised concerns about the riverbed gravel moving further downstream. C. Levey explained that when the creek level is too low, it does not reach the stopbank level. He noted that at least two meters of sediment

have been lost, and the rock is starting to collapse. Cr B. Cummings added that this is the only river on the coast not filling up with gravel.

G. Donaldson mentioned that some repairs have been made without the Rating District having to bear the costs. Cr B. Cummings noted that once J. Mandery has assessed the situation, a solution will be proposed. Jordan suggested that conducting a survey would be the best option. P. Donaldson added that photos should be taken before and after rock is placed.

Action to find photos of rock Groyne by railway bridge.

S. Morgan stated that there will be another Rating District meeting in three months, during which the discussed action points will be addressed.

FINANCIAL REPORT:

S. Morgan presented finances and spoke to the financial statements for the period ending 30 June 2023. She advised that the opening balance was \$64,020.54, with a total revenue of \$13,400.45, there were \$4,272.44 worth of expenses during the financial year. She reported that the closing balance on 30 June 2023 was \$73,148.55.

S. Morgan mentioned that cross-section surveys have been completed, and they are currently awaiting modelling results from LiDAR. J. Mandery elaborated on LiDAR, explaining that it involves light imaging to create a 3D model of the land. He noted that this data needs to undergo peer review and mentioned that while LiDAR cannot penetrate water, additional surveys are still required.

T. Donaldson mentioned that the current finances should be around \$92,000. P. Donaldson added up \$72,000 plus \$12,000 from rates and GDC, discussing an additional \$6,000 that had been reimbursed. P. Donaldson expressed gratitude to the WCRC for this reimbursement. S. Morgan clarified that unspent funds go into the prudent reserve. After accounting for insurance and engineering costs, the prudent reserve would be around \$80,000.

There was a discussion about the value of maintaining a rockpile as a prudent reserve. It was noted that having the rockpile readily available is more beneficial than keeping the equivalent value in a bank. C. Levey supported this idea, stating that it is a very good approach.



T. Donaldson asked about the 2021-2022 year and the \$6,000 reimbursement, S. Morgan mentioned having the annual works report that details the removal of contractor costs.

P. Donaldson enquired whether WCRC is GST registered. He also mentioned receiving accounts from Cr F. Dooley in Westport totalling \$6,000 plus GST. There's a question about how GST charged to ratepayers is handled.

P. Donaldson brought up a concern about potentially paying double GST. T. Donaldson gave an example using the Grey Flood wall, and S. Morgan clarified that expenditures are GST exclusive, indicating that GST payments will be balanced out.

S. Morgan confirmed that the Rating District is not paying double GST and that expenditures only reflect the GST component where applicable. This should alleviate any concerns regarding duplicate GST payments.

Moved-G. Donaldson/R. McLaughin-Carried.

Annual Works Report:

S. Morgan/J. Mandery spoke to the annual works report, no maintenance works carried out from 1st July 2022-23 period, there were survey works carried out and 50% of costs were charged to the general rate.

Council ensures the level of service through various means such as modelling, weed spraying, and mowing the stopbank crest. According to T. Donaldson and S. Morgan, there are no maintenance works currently planned or identified. \$15,000 to allow for unforeseen maintenance works, \$150.00 for weed spraying and \$500.00 estimated for the 2023/2024 financial year.

G. Donaldson asked about the spraying and mowing of the stopbank. J. Mandery responded that P. Donaldson has been handling this task. C. Levey mentioned the importance of maintaining a nice track and not mowing the entire stopbank. J. Mandery explained that having large trees growing on the stopbank is not ideal. P. Donaldson commented that trees help prevent water erosion. C. Levey noted that water doesn't erode where willows are present.

D. Lew advised that there are legal obligations regarding the spraying of noxious plants, which is a requirement under WCRC management. Concerns about the impact of large roots from vegetation on the stopbank, which could potentially cause damage if not managed properly.

J. Mandery mentioned that while having trees and scrub can be nice, they can get uprooted during big floods. G. Donaldson referred to a specific location (Dockerty's place) where gums (eucalyptus trees) are present, wondered if any maintenance had been done there and noted no evidence of it. J. Mandery clarified that no maintenance work other than mowing had been carried out. P. Donaldson indicated he would continue mowing the stopbank. There will be ongoing consideration about how to manage vegetation along the stopbank to ensure it remains stable and effective during flood events.

T. Donaldson mentioned that \$15,000 allocated for unforeseen maintenance will be transferred into the prudent reserve. S. Morgan pointed out an error in a works report, suggesting that the balance might actually be \$90,000 instead of \$58,000. T. Donaldson discussed a past error regarding Grey District Council maintains that finances should be around \$90,000.

P. Donaldson discussed clear-felling a forest and the potential damages it can cause. C. Levey commented about there being slash which did cause a lot of problems years ago.

C. Levey mentioned slash near a mill causing problems in the past. S. Morgan discussed a proposed maintenance rate. Cr B. Cummings mentioned the prudent reserve being at \$50,000.

B. Jones expressed reluctance to increase contributions.

S. Morgan emphasized the importance of the prudent reserve for safeguarding assets against unforeseen events.

S. Morgan highlighted that the prudent reserve might not be sufficient in large-scale events.

The excess for insurance is mentioned as \$250,000, with a split of 60/40% from NEMA, J. Mandery clarified that only a portion of the costs would be covered. T. Donaldson mentioned a scenario where they might be the sole affected party and questioned the risk of that and how it would apply to Redjacks rating district? A discussion took place around risk management



and financial planning for potential emergencies or disasters affecting the council's assets.

RATES 24 / 25

All present agreed that the maintenance rate strike is to be \$6,000.00 which includes \$1,002.00 of infrastructure insurance and \$1,279.00 of engineering cost recovery.

Moved: ***"That the rate strike for Redjacks Rating District is \$8,281.00 Excl GST for the 2024-2025 financial year.***

All in favour carried.

ELECTION OF OFFICERS

It was agreed that P Peter Donaldson to be the spokesperson and T. Donaldson as next point of contact for this coming financial year.

Moved: ***"That P. Donaldson be re-elected as the spokesperson for the 24/ 25 financial year and all present make up the committee of the Rating District for this year".***

Moved-R. McLaughlin/D. McLaughlin- Carried

MANAGERS REPORT:

S. Morgan spoke to this, we would like to inform all Rating Districts about recent developments at the Regional Council in the catchment management space. The infrastructure team has been realigned and renamed to the catchments team, though it still fulfils all the same functions as before.

We have also transitioned much of our outsourced expertise in-house by employing new staff. This includes hiring a chief engineer with 45 years of experience, which allows us to get our engineering designs signed off internally, reducing our reliance on consultants.

Additionally, we have hired a construction engineer (J. Mandery) to enhance our in-house expertise in that area, alongside our two experienced area engineers.



Regarding our Health and Safety pre-qualification process, we are ensuring that all contractors we use are pre-qualified. We sent out this information to contractors about two months ago, and we cannot engage with contractors who do not update their information with us.

Committee members reported that some committee members received three copies of the mail out, needs a review, provide email to L. Crozier on register, G. Donaldson advised not all have email.

RATING DISTRICT AGREEMENT:

S. Morgan spoke to this, discussed the background to the Rating District Agreement and that the WCRC is empowered by Section 126 of the Soil Conservation and Rivers Control Act 1941 to take such steps as are necessary for the prevention of damage by floods. WCRC role to maintain to level of service of the AMP.

D. Lew mentioned that while LiDAR can assist in defining the level of service, it won't be ready for the next meeting. S. Morgan indicated flexibility in adjusting the level of service based on available information. Cr B. Cummings explained the range of levels from 1/50 to 1/100, referring to flood return periods.

A discussion took place about the quorum required for decision-making and the process for approving works, Cr B. Cummings mentioned that any work over \$5,000 requires approval from the Rating District. P. Donaldson indicated he can easily communicate with his neighbors and as this is a small rating district this could be done very quickly. S. Morgan clarified that while consultation is essential, the council doesn't necessarily need permission for routine operations, WCRC has an obligation to maintain a certain level of service.

D. Lew mentioned a precaution to prevent situations where a spokesperson from a Rating District might agree to work, but then the committee as a whole does not approve it later.

S. Morgan suggested that under emergency works situations, it would be practical to have the spokesperson and deputy, along with two other members when urgent actions are required. This was agreed.

(T. Donaldson is happy to be a contact but not make decisions as he does not reside in the district or financially contribute as a ratepayer to this rating district).

J. Mandery will contact T. Donaldson to follow up, and G. Donaldson suggested that P. Donaldson should have something signed by two other ratepayers.

D. Lew mentioned that it's up to the group whether they want to set a cap, which can help prevent disagreements in the future. The group decided to cap it at \$25,000 per event with anything above that requiring a rating district meeting. The agreement will be sent out through Jordan.

S. Morgan discussed the impairment paper *Impairment is unexpected damage to the asset*, and emphasized the importance of understanding why maintenance is crucial. D. Lew mentioned that it's necessary to prove through surveys that the scheme meets certain standards. If the standards aren't met, it could lead to depreciation as per the accountant's advice, emphasizing the need to document maintenance in the Asset Management Plan.

Cr B. Cummings advised culverts are depreciable, but Redjacks Rating District doesn't have any.

S. Morgan discussed the classification review and asked whether there was interest in being reclassified or maintaining the current classification.

There was agreement to proceed with the classifier, with T. Donaldson noting they've been working on it. There's a concern about ensuring the formula used is fair and accurate, emphasizing the need for a thorough review to simplify the process.

J. Mandery helped the Redjacks Rating District get a submission in the LTP.

Outcome of this meeting to get reclassification signed off.

T. Donaldson advised there are considerations around the properties below the railway lines posing challenges in the classifier process. T. Donaldson is happy to sit in the office with J. Mandery to help get things started. Delany

farm sticks out the most as a large area and capital value but with low protection benefit. Cr B. Cummings said once the classifier has decided it still has to go out to be consulted on and would need another committee meeting. S. Morgan advised that there is only two months to get rates sorted.

There was a discussion about ratepayers potentially paying more for and the process of reclassification requiring a formal meeting for approval. Cr B. Cummings suggested proceeding with the normal meeting procedures and getting D. Lew to look at it but aiming for decisions by July.

Valuations linked to LINZ (Land Information New Zealand) data, which is influenced by formulas determining what needs to be paid

Next steps involve T. Donaldson and J. Mandery reaching a decision on this before presenting it to the Rating District. S. Morgan noted that it may not be possible to finalize this in time for July, emphasizing the need to send an email to J. Mandery to share the details.

A discussion took place about the Redjacks bridge. The south side has concrete subsidence. WCRC to advise relevant parties.

GENERAL BUSINESS

There was discussion about Kiwi Rail and Transit contributing, with the condition that repairs are carried out. J. Mandery mentioned the inability to protest work they want to do, emphasizing that they may remove rocks that you don't want taken out. However, J. Mandery suggested that the team can inquire with Kiwi Rail on these matters.

S. Morgan highlighted the importance of keeping an eye out for consultation regarding bylaws.

The meeting ended at 7:45 pm.

T. Donaldson advised for his group communication is the key, getting minutes out of this meeting.

T. Donaldson commented on the small scheme ticking along nicely.



Action Points

*Minutes to be made available on the website once adopted by council.

Minutes to be sent out in draft to the Redjacks Rating District Committee ASAP.

Grey agreement for \$2,000 each year to be signed (CE to CE or WCRC Chair to GDC Mayor)

WCRC to proceed with reclassification of rating district.

The group decided to cap work at \$25,000 per event. The agreement will be sent out through Jordan.

Action to find photos of rock Groyne by railway bridge.



Redjacks Rating District Agreement

Proposed – April 2024

DOCUMENT CONTROL

Reason for Submission	Revision Number	Revision Date	Approval
New Document		02 April 2024	
Version 2	2	11 July 2024	D.L (revision of use of funds outside of scheduled maintenance works)
Version 3	3	15 October 2024	

Rating District Committee Agreement

BACKGROUND

- A. The WCRC is empowered by Section 126 of the Soil Conservation and Rivers Control Act 1941 to take such steps as are necessary for the prevention of damage by floods; and
- B. Is empowered by the Local Government (Rating) Act 2002 to raise the funds necessary to carry out their respective function.
- C. Any flood protection structure built because of this agreement is owned by the WCRC. The land the flood defense assets are on is under various ownership.

STRUCTURE AND OPERATION OF THE RATING DISTRICT (RD) COMMITTEE

1. Once each triennium immediately following the election of the West Coast Regional Council councilors the RD Committee shall be formed including the appointment of a spokesperson/chairperson, by the ratepayers within the district. The number of committee members representing the rating district shall be decided by the ratepayers within the district.
2. The quorum of the Committee members required for decision making and meetings shall be decided by the RD committee and confirmed during its formation triennially.
3. Meetings shall be held annually or as otherwise agreed by the Rating District Committee.
4. Notification of meetings and the publication of agendas and reports shall be conducted in accordance with the requirements of Part 7 of the Local Government Official Information and Meetings Act 1987 and will be undertaken by the secretariat who is employed by the WCRC.
5. Minutes of all RD Committee meetings shall be provided to the next meeting of the RD.

TERMS OF REFERENCE & DELEGATIONS

6. Each year the RD committee shall consider any staff and/or expert reports and ascertain what work and budget requirements will be for the coming financial year to inform the WCRCs Annual Plan and Long-Term Plans.
7. The RD Committee shall not have any funding or rate-setting authority. But advises the WCRC on this matter at annual meetings.
8. WCRC as the Rating Body for the Rating District is the final decision maker on the annual work plan and setting the appropriate rate to fund the agreed works.
9. The RD committee must formally decide on whether they are a maintenance scheme, a capital scheme or both. This can be changed at any time with written consent of both parties.

10. The RD committee spokesperson, deputy, and 2 members must endorse the use of RD funds above \$5,000. Financial spend above \$25,000 must be endorsed through a meeting of the committee, with approval of works organized by the Area Engineer.
11. For significant decisions such as major scheme capital upgrades or maintenance and associated expenditure, dissolving the scheme, rating classification reviews etc., the spokesperson, committee or WCRC can call for a full voting procedure of all scheme ratepayers. A majority vote is set at a minimum of 75% of scheme ratepayers that have voted.
12. <Note 75% can be altered to a different majority percentage by each scheme but must be documented in the terms of reference>.
13. The WCRC shall administer an asset management system for all assets in the scheme and take this to the committee annually starting the 2025/2026 FY.
14. Any resource consents required for the scheme will be applied for, held and maintained by the WCRC, including adhering to conditions.
15. The RD committee's role is to review the annual work plan provided to it by the WCRC, receive and consider any independent expert advice, and make informed recommendations to WCRC for the final decision. The Committee may also make recommendations to the WCRC regarding:
 - Commissioning independent expert reports; and
 - Undertaking public consultation on rating classification classes, major capital works and other areas of significant public interest.

WCRC will consider any recommendations of the RD committee in making any decisions on the above.

16. The WCRC has constituted a "Rating District" for the scheme and reserves the right to raise such funds as it may need to carry out its functions.

Variation of this Agreement

17. This agreement may be amended at any time, at the request of either the WCRC or the rating district committee, but such amendment will only take effect once both have formally received and adopted those changes sought.



SIGNATURES

SIGNED by

RATING DISTRICT SPOKESPERSON

In the presence of:

by its authorised signatory

Witness signature

Witness name

Witness Occupation

Witness Town of Residence

SIGNED by

**WEST COAST REGIONAL COUNCIL
CHAIRPERSON**

In the presence of:

by its authorised signatory

Witness signature

Witness name

Witness Occupation

Witness Town of Residence

Insurance Update

Author	Shanti Morgan, Group Manager Environmental Science and Chantel Mills, Project Accountant
Authorizer	Darryl Lew, Chief Executive

Report Purpose

The purpose of this report is to provide the Rating Districts with an update on Councils insurances including:

1. Clarification of WCRC's deductibles (i.e. excesses) under the infrastructure insurance policy
2. An **indication** of the 2024/25 insurance premium split across rating districts, and **estimated** 2025/26 insurance premium including **estimated** premium split across rating districts for budgeting purposes.

Recommendations

It is recommended that the Committee resolves to:

1. *Receive the report and note the attachment.*
2. *Provide feedback on insurance premiums and excesses as related to the Rating District scheme.*

Issues and Discussion

Background

Council has a range of insurance policies covering operational risks. AON is Council's insurance broker. Council is part of a shared insurance procurement collective with other South Island Councils called the South Island Council Collective (SICC).

Current situation

1. WCRC's **2024/25 Infrastructure Insurance was renewed** at 4pm on 1 November 2024 for a further one-year term (expiring 4pm 1 November 2025).

A summary of 2024/25 Infrastructure Assets Listing is provided in **attachment 1**.

2. The writer would like to take this opportunity to clarify Council's **Deductibles under the infrastructure insurance policy**. WCRC have two possible deductibles (i.e. excesses) under the policy pertaining to direct physical loss suffered and depending on the peril that caused the damage / loss.
 - i. Where the damage / loss is suffered due to Earthquake, Natural Landslip, Tsunami, Tornado, Volcanic Eruption, Hydrothermal & Geothermal activity, and Subterranean Fire, WCRC's deductible (i.e. excess) is **NZD\$250,000 for each and every loss (eel), or**
 - ii. Where the damage / loss is suffered due to Flood and Windstorm (including Storm Surge), WCRC's deductible (i.e. excess) is **NZD\$1,000,000 eel**.

Any deductible under the infrastructure policy applies to 100% of the loss or damage arising out of any one event to the property or asset.

3. Council is asking for feedback from Rating Districts on the current insurance excesses, which are being clarified in this paper for the Rating Districts. The Council will receive and consider Rating District feedback when undertaking the 2025/26 insurance renewal cycle.

Considerations

Implications/Risks

1. Deductibles and the Financial Impact on Rating Scheme Coverage

Current Deductibles (excesses):

- \$250,000 per event for damages / losses caused by events like earthquakes, volcanic eruptions, and subterranean fires.
- \$1,000,000 per event for damages / losses due to flood, windstorm, and storm surge.

Implications:

- WCRC has 23 Rating Districts Schemes, two of which have declared asset values which are less than both deductibles (*i.e. 2024/25 Neils Beach \$36,894, and Matainui Creek \$116,560*). Several Rating schemes also have damage exposure values that are less than both deductibles
- Rating Schemes with lower-value assets and lower-damage exposure values are highly unlikely to ever make damage or loss claims for isolated events due to the level of the deductible(s).
- Rating Schemes with lower value assets and/or lower damage exposure values would be more likely to make an insurance claim if assets were damaged / lost in an event affecting multiple rating districts and multiple assets as a result of a single catastrophic event.
- For a summary of the declared asset values for the 2024/25 renewal sorted by value from highest to lowest please see **attachment 1**.
- The trade-off between lowering the deductible(s) is higher premiums across all 23 rating districts.
- Parts of the Coast experienced notable weather events in April 2024 and October / November 2024. These events have not resulted in any insurance claims as yet. WCRC staff have been assessing damage and the general view at this stage is that any damage suffered in the event were estimated to be well below the \$1,000,000 flooding event deductible for each event.
- Therefore, any damage from the April 2024 and October / November 2024 events to date are being repaired by Council on behalf of the Rating Districts as repairs & maintenance or through funds within each rating district prudent reserve.

2. Financial Risk of Not Insuring

- **Potential Cost of Damage:** When infrastructure assets suffer damage or loss the repair and replacement costs can escalate quickly. For example, If we consider an event affecting (5-20% of asset value) the reinstatement costs across the infrastructure assets could range between \$2,000 (Neils Beach) and \$7,925,863 (Wanganui).
- **Ratepayer Responsibility:** Without infrastructure insurance, all repair and replacement costs would need to be covered by respective Rating District reserves or through increased rates to service a loan, particularly for high-cost events.

- **Risk Tolerance:** Each Rating District will have a different risk tolerance and will need to carefully consider their respective financial capacities to finance major repairs / asset replacements independently should an event occur. How would the Rating District fund repair / replacement costs if no insurance is in place? Is Rating District willing to take the risk of not insuring it's community's flood protection assets?

3. **Benefits and Limitations of Insuring**

Advantages of Insurance:

- **Catastrophic Event Protection:** Insurance can protect against significant financial losses in large-scale events that exceed the deductible amount.
- **Risk Management:** Insurance may reduce the financial burden on the district in severe events which are predicted to increase with climate change.

Limitations:

- **High Deductible Costs:** Understandably, no insurance claims are made when the repair / replacement costs are under the \$250,000 or \$1,000,000 excesses. This results in a burden of cost to rating district to fund necessary repair / replacement works on damaged or lost assets up to the deductible amounts.
- **Cost-Effectiveness:** For assets with lower damage exposure or value, the insurance premium may outweigh the potential benefits due to the deductible threshold.

4. **Considerations for Providing Feedback**

- **Risk and Financial Impact:** Consider the likelihood and potential cost of damage for your scheme and whether your Rating District can feasibly cover these costs without insurance.
- **Priorities and Preferences:** Feedback should reflect your district's priorities—whether you value protection against catastrophic loss or prefer to self-manage smaller damages and risks.
- **Alternative Preparedness:** If opting out of insurance, think about alternative strategies (like building reserves or implementing preventive measures) to address future damage or loss.

We welcome your feedback to help Councillors decide the best approach for insurance of scheme assets for the upcoming 2025/26 financial year.

Other Funding Risks to consider

National Emergency Management Agency (NEMA) funding may be accessed for up to 60% of eligible rebuild costs **provided key criteria are met.**

Government assistance will not normally be available for assets which receive a subsidy from any other source, unless:

- the local authority has adequately protected itself through asset and risk management including mitigation, where appropriate, and the proper maintenance of infrastructure assets, or
- the local authority has made sound financial provisions (such as the provision of reserve funds, effective insurance or participation in a mutual assistance scheme with other local authorities) to a level sufficient to ensure that the local authority could reasonably be expected to meet its obligation to provide for its own recovery.

Significance and Engagement Policy Assessment

There are no issues within this report which trigger matters in this policy.

Tangata whenua views

Staff are not aware of any issues within this report which would impact tangata whenua.

Views of affected parties

Views of affected parties are being collated during rating district meetings and will be presented back to council on insurance needs for each scheme with an associated risk profile.

Attachments

Attachment 1: Summary of 2024/25 Infrastructure Insurance renewal declared values, 2024/25 Insurance premium rating district indicative split, and 2025/26 Estimated insurance including rating scheme premium split.

Summary of 2024/25 Infrastructure Insurance renewal declared values, 2024/25 Insurance premium rating district **indicative split**, and **2025/26 Estimated** insurance including rating scheme premium split.

Infrastructure Assets	Declared Value (2024/25)	2024/25 Premium Indication	Estimated 2025/26 Premium
Wanganui	39,629,315	35,770	37,630
Greymouth Floodwall	24,561,725	22,170	23,323
Franz Josef Combined	24,254,514	21,893	23,031
Taramakau	23,910,670	21,582	22,704
Karamea	11,414,646	10,303	10,839
Kowhitirangi	10,372,605	9,363	9,849
Hokitka Seawall Combined	8,554,347	7,721	8,123
Inchbonnie	7,802,261	7,042	7,409
Waitangi-Taona	7,391,652	6,672	7,019
Nelson Creek	6,938,935	6,263	6,589
Punakaiki	5,422,853	4,895	5,149
Vine Creek	5,159,546	4,657	4,899
Mokihinui	3,202,472	2,891	3,041
Westport	2,406,483	2,172	2,285
Kongahu *	2,214,694	-	-
Redjacks Creek	1,805,336	1,630	1,714
Okuru	1,404,921	1,268	1,334
Whataroa	1,360,799	1,228	1,292
Raft Creek	1,262,372	1,139	1,199
Hokitka Southside	1,165,987	1,052	1,107
Matainui Creek	116,560	105	111
Neils Beach **	36,894	-	-
Rating District Administration ***		73,650	77,479
General Rate - Kongahu *		1,999	2,103
General Rate - Neils Beach **		33	35
Grand Total	190,389,588	245,499	258,265

* Per 2021-31 LTP Kongahu is a drainage scheme and should be excluded from the insurance policy.

** Neils Beach is a 'sacrificial bund'. The insurance premium is under \$40 per year and covered by General Rate.

*** Per 2021-31 LTP 70% of infrastructure insurance premium is paid by the Target Rate to respective Rating District(s) and 30% is funded by General Rate.

Report on Riverbed Level Survey Programme

Author	Max Dickens, Policy Manager, Paulette Birchfield, Area Engineer Catchment Management, Jordan Mandery, Construction Engineer.
Authoriser	Shanti Morgan, Group Manager Environmental Science

Report Purpose

To update rating districts on the proposed West Coast Regional Council 10-Year River and Coastal Survey Strategy.

Report Summary

The WCRC has had a ten-year strategy in place for riverbed survey since 2014. This strategy is due for renewal and a new strategy has been proposed for adoption by the regional council (Attachment 1).

This report outlines the importance of riverbed and coastal surveys for the purpose of flood and coastal hazard protection.

Council have also been put forward a proposal to change the current funding model of survey work which is currently 50% funded by the relevant rating district, and 50% by the General Rate, to a 100% funding through the income council receives as a result of gravel royalties. The outcome of this proposal will be provided verbally to RDs during meetings.

Recommendations

It is recommended that the Committee resolve to:

1. *Receive this report.*
2. *Notes the 10-year river and coastal survey strategy*

Issues and Discussion

Background

Rating District Survey update

The WCRC have had a 10-year river cross-section survey strategy in place since 2014. Historically these surveys have been funded 50% by the relevant rating district, and 50% by the General Rate. Out of the 23 West Coast Regional Council rating districts, 16 have regular cross-section surveys. The absence of regular surveys has resulted in a variation in the understanding of each scheme and the protection they provide. With some schemes having a well understood level of service where surveys have been undertaken and others a general understanding relating to historic flood levels which do not account for changing climatic conditions or changes in the physical environment.

Current situation

The current 10-year strategy concludes this year. The Catchment Management group have drafted a new 10-year strategy (ref. Attachment 1) to conduct surveys across selected schemes to support and maintain the understanding of the level of service provided by the schemes maintained by the WCRC. This work will include, but is not limited to:

- bed and crest level surveys, with an increase in frequency/scope and scale in areas where gravel extraction is taking place,
- areas where additional monitoring or surveys may be needed depending on the nature of the gravel extraction application.
- other areas where surveying is considered necessary.

The new program aims to ensure compliance with regulatory consent conditions, improve infrastructure management, enhance flood prevention efforts, and provide valuable data for long-term planning and informed decision-making with regards to the effects of gravel extraction on the region's rivers and coastlines. This strategy provided a schedule for surveys of the rating districts where surveys were required.

This programme will build on the regular program of established surveys with additional cross section surveys and Mean Bed Level (MBL) analysis funded via the use of gravel royalties. This will provide high level data for flooding and infrastructure needs, as well as ensuring that an appropriate amount of gravel is being taken.

The new bed level survey programme will vary from 6 monthly to a 5-year return period¹ depending on the river in question. The programme will be developed considering what is achievable from both a budgetary and practical perspective. It may also include measuring coastal data if this is considered relevant.

¹ Please note that following major events officers will likely need to re-survey affected schemes over and above the regular programme.

Rating District Survey update

The programme will be designed specifically to ensure that it will be covered by a varying percentage of the gravel royalties. It will be flexible to ensure capacity for adjustments based on priority, funding availability, and emergent needs.

A proposal to fund this work program has been put forward to the WCRC which would result in a change to the current 50% by the relevant rating district, and 50% by the General Rate to a 100% funding through the income council receives as a result of gravel royalties. The outcome of this proposal will be provided verbally to RDs during meetings.

Considerations

Implications/Risks

There are safety and infrastructure management risks associated with not improving our data around rivers.


Significance and Engagement Policy Assessment

This policy does not trigger the significance and engagement policy.

Attachments

Attachment 1: To be supplied at meeting.

West Coast Regional Council			
Redjacks Creek Rating District Financial Accounts			
For the 12 Months to 30 June 2024			
	2023/2024	2023/24	2022/23
	ACTUAL	BUDGET	ACTUAL
RESERVES OPENING BALANCE 1 July 2023	73,148.55		64,020.54
REVENUE			
Grey DC - Subsidies & Grants	2,000.00		2,000.00
Internal Interest Earned	1,945.74		1,120.08
Rental Income	-		
Other Income	-		
Rates	9,977.57	10,332.00	10,280.37
TOTAL REVENUE	13,923.31	10,332.00	13,400.45
EXPENDITURE			
Advertising	-		
Contractors	-	8,004.00	1,991.44
Consultants	-		
Insurance	1,307.22	1,020.00	1,002.00
Other Expenditure	-		
Rates	-		
Resource Consents	-		
Staff Time	1,308.00	1,308.00	1,279.00
Surveyors	-		
Venue Hire	-	-	-
TOTAL EXPENDITURE	2,615.22	10,332.00	4,272.44
NET SURPLUS/(DEFICIT)	11,308.09	-	9,128.01
Capital Expenditure			
RESERVE CLOSING BALANCE 30 JUNE 2024	84,456.64		73,148.55


 Peter Meier
 05/12/2024

West Coast Regional Council – Red Jacks Rating District

Annual Report on Maintaining Existing Rating District Assets

1. Executive summary

This report outlines a summary of work undertaken as part of the Red Jacks Rating Districts annual works program for the 2023/2024 financial year including any maintenance, capital works and surveys undertaken. Additionally, this report details scheduled work for the 2024/2025 FY and proposes work required for the 2025/2026 Financial year which includes consultation of the 2025/2026 maintenance rate, insurance premiums and engineer cost recovery.

2. Maintenance Summary 2023/2024 FY

No works carried out

3. Scheduled Maintenance 2024/2025 FY

Council proposed to ensure that the scheme is maintained to the level of service that it was originally designed to by procuring a cross-section, longitudinal survey and channel capacity modelling. The survey work was completed in January 2023.

The modelling work is likely to be completed in the 2024-2025 financial year due to a delay in the supply of the required LiDAR information.



Total:



3. Red Jacks Rating District Financial Balance

The balance in the rating district account at the beginning of the 2025 / 2026 financial year is likely to be approximately \$78,000 should all recommended future works be carried out. This includes the Grey District Council contribution of \$2,000.

The target balance for the prudent reserve for this rating district is \$30,000. This prudent reserve is immediately available for urgent emergency works that may be required following a major event. It is therefore likely this prudent reserve will only cover a portion of the actual cost of the potential damage that could occur.

4. Proposed rates for the 2025 / 2026 Financial Year

General maintenance rate:	\$8,000.00
*Engineer cost recovery:	\$2,960.00
Infrastructure insurance cover:	\$1,714.00
Total:	\$12,674.00

The Council recommends a rate strike for the 2025 / 2026 financial year of \$11,934 excluding GST.

**The Engineer cost recovery budget has been calculated based on expected engineering contribution to the Rating district of 16 hours*

5. **General Business**

Insurance

Below are the key criteria that needs to be met to access the NEMA funding, which can cover up to 60% of eligible rebuild costs

The provisions for government financial support to local authorities apply whether or not a state of emergency is, or has been, in force

Government assistance will not normally be available for assets which receive a subsidy from any other source, unless:

- *the local authority has adequately protected itself through asset and risk management including mitigation, where appropriate, and the proper maintenance of infrastructure assets, or*
- *the local authority has made sound financial provisions (such as the provision of reserve funds, effective insurance or participation in a mutual assistance scheme with other local authorities) to a level sufficient to ensure that the local authority could reasonably be expected to meet its obligation to provide for its own recovery*

Threshold

Threshold for reimbursement; As with other response claims, Government policy is to reimburse 60 percent of the combined eligible costs (response and essential infrastructure costs), above the following thresholds:

- *0.0075 percent of the net capital value of the city council, district council or unitary authority involved*
- *0.002 percent of the net capital value of unitary authorities where the assets in question are of a type that ordinarily are managed by regional councils, or*
- *0.002 percent of net capital value in the case of regional councils*