Council Members
Chair Allan Birchfield
Cr Stuart Challenger (Deputy)
Cr Brett Cummings
Cr Peter Ewen
Cr Debra Magner
Cr Laura Coll McLaughlin
Cr John Hill

THE WEST COAST
REGIONAL COUNCIL

PUBLIC COPY

Meeting of Council

(Te Huinga Tu)

Tuesday, 28 June 2022

West Coast Regional Council Chambers, 388 Main South Road, Greymouth

and

Live Streamed via Council's Facebook Page:

https://www.facebook.com/WestCoastRegionalCouncil

Commencing at 10:30AM

COUNCIL MEETING

AGENDA *(Rarangi Take)*

1. Welcome *(Haere mai)*
2. Apologies *(Ngā Pa Pouri)*
3. Declarations of Interest
4. Public Forum, Petitions and Deputations *(He Huinga tuku korero)*

5. Chief Executive's Reports

5.1 Proposal to Hon Nanaia Mahuta - Westport Business Case
5.2 Draft Quarry Tender documents
5.3 Draft Annual Plan 2023
5.4 Rates Setting - Levies 2022/23

6. General Business

7. Public Excluded Items

7.1 Employee Benefits

H. Mabin
Chief Executive

Purpose of Local Government

The reports contained in this agenda address the requirements of the Local Government Act 2002 in relation to decision making. Unless otherwise stated, the recommended option promotes the social, economic, environmental and cultural well-being of communities in the present and for the future.

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Report to: Council	**Meeting Date: 28 June 2022**
Title of Item: Proposal to Hon Nanaia Mahuta	
Report by: Heather Mabin, Chief Executive	
Reviewed by:	
Public excluded? No	

Report Purpose

The purpose is to table to Council *Kawatiri – Deep and Swift* which is a proposal for Co-investment in Westport's Resilience to be presented to Hon Nanaia Mahuta

Report Summary

In October 2021, under Council's Long-term Plan 2021-31 (the LTP), Council decided to construct a flood protection scheme for Westport, estimated to cost $10.2M and subject to the outcomes of investigations into adverse effects.

A Technical Advisory Group (TAG) has completed the preliminary stage of this project and established that the cost of the infrastructure would be approximately double the original estimate. To secure the funds to complete the project, Council has been party to a submission seeking co-investment by central government.

This paper tables to Council the proposal around co-investment that will be submitted to Hon Nanaia Mahuta, Minister for Local Government by 30 June 2022.

Recommendations

It is recommended that Council resolve to:

1. Authorise Chair Birchfield to sign the document called *Kawatiri – Deep and Swift, Proposal to Hon Nanaia Mahuta, Minister of Local Government, Co-Investment in Westport's Resilience* on behalf of the West Coast Regional Council.

Issues and Discussion

Background

In February 2022, Council contracted Henley Hutchings to provide the following services:

> *To prepare a business case to secure central government co-investment in a Westport flood protection scheme – including details about the design parameters, timeline, costs / cost-share proposals, options, relationship to other community resilience / flood protection initiatives and expected outcomes.*

The initiative to seek central government funding was triggered through the ongoing involvement of DIA and NEMA in the Buller recovery through the Westport Flood Recovery Steering Group in 2021.

Subsequent to this, in October 2021 Council agreed to adopt Option 2 for Westport Flood Protection proposed in the LTP, estimated to cost $10.2m. Council's decision on this matter was subject to further investigation into the possible adverse effects of constructing the proposed infrastructure.

At the end of 2021, a Technical Advisory Group (TAG) was established by Council to complete the preliminary stage of the Project to deliver Option 2 for Westport.

Current situation

At Councils June meeting, Council considered the recommendation from the Westport Rating District Joint Committee meeting that was based on the findings and recommendations of TAG. Fundamental to this recommendation was the fact that the proposed flood protection scheme would cost significantly more than the original $10.2M proposed to the community in 2021 during consultation of the LTP.

If Council is to deliver this infrastructure to the community, funding from other sources outside the community will be required.

Given the tight timeframe to present the proposal, Council is invited to provide feedback on wording/content direct to John Hutchins, Henley Hutchings, prior to the meeting, please email: John@henleyhutchings.co.nz

Considerations

Implications/Risks

The submission of the proposal to Hon Nanai Mahuta is intended mitigate the risk of Council being unable to deliver the infrastructure determined in the LTP.

Significance and Engagement Policy Assessment

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

Financial implications

Current budget – compilation costs of the business case were fully funded by DIA

Future implications – the outcome of the business case will have significant impact on Council's financial capability to deliver the infrastructure as planned.

Attachments

Attachment 1: *Kawatiri – Deep and Swift, Proposal to Hon Nanaia Mahuta, Minister of Local Government, Co-Investment in Westport's Resilience*

Kawatiri – Deep and Swift

Proposal to Hon Nanaia Mahuta, Minister of Local Government

Co-Investment in Westport's Resilience

BULLER DISTRICT COUNCIL
Te Kaunihera O Kawatiri

THE WEST COAST REGIONAL COUNCIL

FINAL DRAFT 23 JUNE 2022

Photo courtesy of Westport.nz

Foreword

Tēnā koe Hon Minister Mahuta. Greetings from the West Coast.

We welcome this opportunity to submit this proposal to you and the Government.

We are very grateful to you for the invitation to develop a case for co-investment. We have been thrilled with the level of the Government's financial, moral, and political support following the July 2021 flood event. We want to formally thank you, on the record, for that.

As we have developed this proposal, we note the event has adversely impacted the economic and social wellbeing of the community. While there has been tremendous scientific, engineering, and economic analysis undertaken in support of this proposal, there are still psycho-social impacts on our community.

As you will see, we have put the people of Westport at the heart of our thinking. The analysis shows that livelihoods and possibly lives are at stake, and we really need your assistance.

We believe we can also help you. We know there are similar challenges to those being experienced in Westport across the motu, and we are willing to be the blueprint community that tries some new ways of doing things, recognising that this is an opportunity for us both.

One thing is abundantly clear – neither Local nor Central Government can act alone here. We need to be collaborative from now on, or the issues will never be resolved. We have worked hard to deepen the relationship between the West Coast Regional Council and the Buller District Council, and we are keen to do the same with the Government.

We have also found that Westport has catalysed some strategic thinking with MBIE, Kāinga Ora, Kānoa, NEMA and DIA. More operationally, Waka Kotahi has been engaged and engaging, and KiwiRail has been at the table. In general, we have found that agencies and Crown Research Institutes are collaborating extensively to deal with climate adaptation.

We are realistic about the challenges that lie ahead, but we think that this proposal meets those challenges head on and is one that others might emulate. We hope that you think so too. This is not a *hand out* but rather a *hand up* as we address the future together.

Nāku noa, nā

Jamie Cleine	**Allan Birchfield**	**Francois Tumahai**
Mayor	Chair	Chair
Buller District Council	West Coast Regional Council	Te Rūnanga Ngāti Waewae

30th June 2022

Contents

Executive Summary

When it boils down to it, there are two simple questions that remain unanswered when it comes to flooding and climate related change:

- Who's going to pay?
- Who gets to decide?

We have an abundance of reports and guidelines from scientists, engineers, academics, and policy advisors that provide input, but still these questions remain unanswered. Everyone seems to have an opinion on what needs to be done, but until now it has been very difficult to navigate actually getting these things done.

Westport is not well-heeled. The port area has not transformed into gentile real estate as has happened with other ports around the country. To use Government language, we are one of the most deprived communities in Aotearoa. We are the oldest population and have one of the lowest rates of disposable incomes in New Zealand. But we're here to stay – we're an established community with a rich history.

There are 4,600 people in Westport, and we need a hand. We realise that we are not the only ones faced with a similar prospect. We also realise that the cost of doing nothing is vastly more expensive than acting. The cost of last year's flood alone was double the total identified in this proposal.

So we welcomed Minister Mahuta's invitation for a co-investment proposal. This is potentially a circuit breaker, answering the two questions above and becoming a case study for others to emulate. Local Government cannot deal with this challenge on its own. Climate related flooding challenges our existing governance arrangements, funding mechanisms and statutory framework. It will therefore require close collaboration between Local Government, Central Government and Mana Whenua.

We are clear that the Westport community is at the centre of this process. Adaptation is not about flood protection structures and managed retreat – it is about people, families, their aspirations, and their legacy.

It is also about change. In developing this proposal, it became obvious to us that Westport cannot remain unchanged forever. Eventually the water will win – it is impossible to completely eliminate the risk of flooding in Westport. Equally, we realise we do not need to make all the decisions today. We can do some sensible things immediately and make sure the decisions we take today do not prevent future decision makers from making their own sensible decisions when the time comes.

What we are seeking

Ultimately, we think that over time as Westport grows, this growth needs to occur in low hazard areas. This could occur over the next 50 years. Land could be purchased today to enable future decision makers to be able to speed up or slow down decisions, depending on which climate scenario eventuates.

In the meantime, there is still considerable flood risk for the citizens of Westport. We are proposing some modest work to armour the riverbanks of the Buller River, and to construct some embankments and walls that will reduce (but not eliminate) flood risk. This will buy us time. We also think it makes sense not to put more people in harm's way. We intend to put in place a regulatory framework that restricts development in flood zones – but we need your help here.

We are proposing a four-pronged PARA approach (Figure 1), with each component enabling practical steps. These components are not alternatives. They are an interdependent strategic packages of initiatives.

They do not all need to occur immediately. Many of these initiatives have already been canvassed with the people of Westport via the Westport 2100[1] and other work.

Figure 1: PARA Model - Westport's Resilience

Our cost profile is outlined in Table 1. But we do not see this as simply a cost. It might seem expensive, but it is vastly less expensive than doing nothing. Our analysis shows that this investment is likely to avoid $400m of damage to Westport buildings alone. That does not account for economic losses, the human cost or the damage to our national reputation if we do nothing.

We have commissioned Infometrics to undertake economic analysis. It states:

> ... *the analysis in this report, …clearly shows that (the) stopbank option recommended by the Technical Advisory Group…is highly cost effective… the case for pursuing (this option) …could not be clearer.*

We see this as an investment in one of New Zealand's most longstanding communities, and we feel there could be massive co-benefits. Through relocation of growth, we could achieve positive housing outcomes by establishing more intensive, low energy homes that are connected to active transport, shops, parks and resilient infrastructure. We think that this investment will pay back substantially when AF8 eventuates, resulting in less trauma, social and economic loss for all of us. And our planners are already thinking that embankments might double as cycleways – properly designed, they can also enhance inanga breeding areas and help to secure an old landfill along the estuary.

We acknowledge this proposal will test the existing funding and regulatory frameworks, and it will antagonise some in the community who do not wish to change. However, it is also an opportunity to showcase how small townships might address the climate challenge. The leaders of Westport are prepared to be bold and pragmatic in presenting this proposal, and we are looking forward to you joining us on our journey

[1] The Westport 2100 Working Group was formed late in 2018. Its recommendations were forwarded to WCRC and BDC in September 2019. The purpose of the Group was to make recommendations about how best to enhance the resilience of the Westport community against the effects of fluvial flooding, coastal inundation, sea level rise, severe weather events, earthquake risk and the threats posed by Tsunami. The Group also discussed the Orowaiti overflow, gravel build-up, telemetry and warning systems, planning, and zoning and the robustness of critical infrastructure and transport routes.

Table 1 Cost Profile

The Ask			
Initiative	**Total Cost**	**Our Ask of Government**	**Comments**
Protect			
Westport ring-bank, plus Carters Beach	$18,050,000	$13,537,500	Year 1 (FY22/23) – planning and design Year 2-4 construction (75/25% split)
Organs Island reafforestation	$1,500,000	$1,125,000	Years 2-17 – 3 x 5-year tranches
Immediate works on the Buller riverbank	$3,300,000	$3,300,000	Years 0-2
Operational expenditure Buller riverbank	$3,000,000	$3,000,000	Years 3 -10[2]
Operational expenditure over ten years on Westport ring-bank and Carters Beach	$3,300,000	$2,600,000	Years 3 -10
Resource consents, owner agreement, Council project management, final design	$1,000,000	$750,000	Year 1
Contingency	$1,000,000	$750,000	
Avoid			
An Order in Council or other fast-tracking mechanism for TTPP resilience provisions			Minimal additional cost
Ability for BDC to align the Building Code with sensible flood resilience within the TTPP			Minimal additional cost
Retreat/relocate			
Invest in infrastructure at Alma Road			Live $18m IAF application
Development plan at Alma Road to ensure positive community outcomes	$250,000	$250,000	
Feasibility study into strategic land purchase at Alma Road or other resilient sites	$250,000	$250,000	
Adaptation Relief Fund to provide assistance to owners in areas like Snodgrass	$10,000,000	$10,000,000	Evaluation criteria to be developed
Accommodate			
CDEM capability	$500,000	$500,000	Over two years
Sea level monitor / tide gauge and GNSS	$250,000	$250,000	Via GNS and NIWA
Stormwater	$12,000,000	$8,000,000	Opex @ 1-3%
TOTAL	**$54,400,000**	**$42,312,500**	

[2] Operational expenditure is phased in as assets come on-line.

Context

The Big Picture

We have been following flood management developments around the world. There does not appear to be anywhere that is not affected by a changing climate. There are many, many places that have the same challenges as Westport.

According to Rockefeller's 100 Resilient Cities, average global flood-related losses will increase almost ten-fold to $52 billion by 2050. 40% of urban populations will be living with water stress by 2050.

Danang has a very similar profile to Westport

Surat is adjacent to a river similar to the Buller

Aotearoa

Of course, you don't need to go to New Orleans to see trends with flooding. Flooding is the number one likely natural hazard in Aotearoa. New Zealand now faces, on average, one major flood event every eight months.[3]

About 675,000 (or one in seven) people across New Zealand live in areas that are prone to flooding, which amounts to nearly $100 billion worth of residential buildings that are at risk. The average annual cost of responding to flood events now exceeds $50m.

There are countless examples in New Zealand of flood resilience done well, and many others done poorly. While it didn't make international headlines, the failure of planning and infrastructure at Edgecumbe was essentially the same thing that happened in New Orleans.

"New Orleans highlighted how the most vulnerable people are at risk, and the folly of relying on insurance and ignoring nature."

[3] Page 7, Central Government Co-investment in Flood Protection Schemes', Te Uru Kahika, January 2022.

It is fortunate the recent floods in New Zealand have not yet resulted in a loss of life. It is only a matter of time before this changes[4]. None of us wants that liability and responsibility.

While the emergency response structure enables flood warning and getting people to safety, the current 'after event' focus does not minimise future economic, financial, or human risk.

We think it is time to make some bold decisions that involve planning and infrastructure tools that, along with traditional flood defences, better secure the long-term future of places like Westport. A re-think is required, and we are supporters of the greater use of a multi-tool approach to building community resilience against the effects of flooding. This involves a move away from the current focus on insurance, alongside responding to and then attempting to recover from events. What we need is investment in resilience tools that are the fence at the top of the cliff, rather than the ambulance at the bottom.

This challenges the way we are currently set up, it challenges vested interests, and it challenges our legal framework. We are alive to these challenges. But we are also alive to the possibilities it brings, and we are willing for Westport to be a case study as we work together through this change. We are more vulnerable than most. While there is legislative change in the wind, time is not on our side, and we need to act swiftly and decisively.

Palmerston North dodges a bullet in 2004

Kawatiri 2021 – swift and deep

[4] Westport community leaders advised that over 30 lives have been lost within the Buller River over the last 50 years. The number lost as a direct consequence of flooding is not known. No matter what, the Buller River is known to be powerful and dangerous to life.

About Westport Kawatiri

The Coast and Coasters

The West Coast Region is New Zealand's least populated region, accounting for 0.7 percent of the population, but 8.5% of the land mass with 23,000 square kilometres. We have about 1.4 ratepayers for every square kilometre of land. More than 85% of that land is owned by the Crown.

When former Prime Minister Sir Geoffrey Palmer said …

> *sometimes it does us a power of good to remind ourselves that we live on two volcanic rocks where two tectonic plates meet, in a somewhat lonely stretch of windswept ocean, just above the roaring forties. If you want drama you've come to the right place …*

…he might well have been talking about the West Coast and its people. It is a wild place known for hard weather, and hard cases. Captain Cook called the headland *Foulwind* because the Endeavour was blown miles off course when he visited. The Māori name for Westport is *Kawatiri* – deep and swift.

Everyone knows that the Coast is a long, isolated region, hemmed in by the Southern Alps on one side and the angry Tasman Sea on the other. To survive and thrive on the West Coast you need something of a pioneer spirit. Māori and Pakeha came to the Buller in search of gold, coal, and pounamu. Extracting these treasures required hard work, persistence, a can-do attitude, directness, cunning and some might say, determination.

In more modern times, the same pioneer spirit has been required to flourish in fishing, dairy farming, mining, and cement manufacturing. Tourism pursuits such as mountain biking, surfing, tramping, and rafting are associated with the wet and wild reputation, and even the burgeoning arts community is of a specific coaster type.

That type is rugged but friendly, strong, and self-reliant. When you're isolated like us it teaches you the value of friendliness and hospitality, and of community resilience. We belong here - the proportion of people born overseas is 9%, compared with 27% nationally. There are 4,600 of us in Westport itself and 9,000 in the wider Buller District. Ahakoa he iti he pounamu - although we are small, we are of great value.

Te Rūnanga Ngāti Waewae

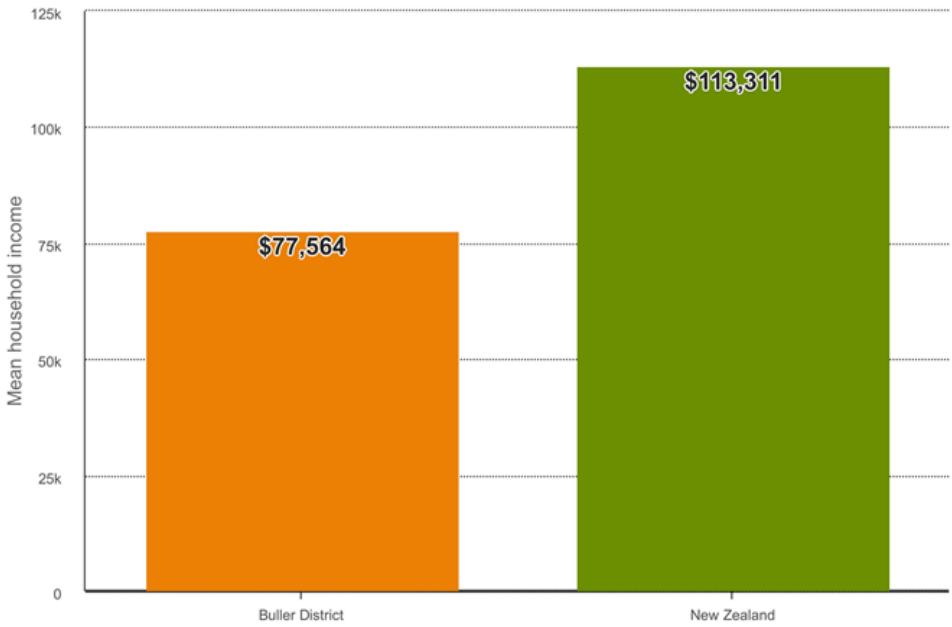
This project acknowledges the special status of Te Rūnanga Ngāti Waewae as tangata whenua and Treaty partners, and we have undertaken a collaborative approach to ensure Māori values and interests are protected and enhanced. From a Māori worldview, humanity is inseparable from the natural world. Land and its associated natural systems are connected to health through a variety of pathways, providing cultural, spiritual, social, and economic wellbeing. Māori environmental knowledge (mātauranga taiao) is characterised as a cumulative system of knowledge (mātauranga) and practice (tikanga) that has evolved through adaptive processes. Mātauranga and Te Ao Māori provide a unique source of expertise that can contribute to the management and mitigation of natural hazards in New Zealand.

Te Rūnanga o Ngāti Waewae is based at Arahura, a short distance from Hokitika on the West Coast. Te Rūnanga o Ngāti Waewae has assessed this proposal and has found no major roadblocks to any of the proposed options. Te Rūnanga o Ngāti Waewae wishes to remain part of the decision-making process going forward and has identified the need for consideration of Māori land blocks around Westport at the appropriate time.

Our Economy

Like other provincial centres, the Buller population is older than for the rest of New Zealand, at 47 compared with 39. The population has been shrinking in the 15-64 age bracket, with a flow on effect to the younger age group. People generally earn less than elsewhere in New Zealand. The mean income is $77,000 which is around 68% of the national mean at $113,000 (Figure 2) .[5]

Figure 2 - Mean household income in Buller District compared to the rest of New Zealand[6]

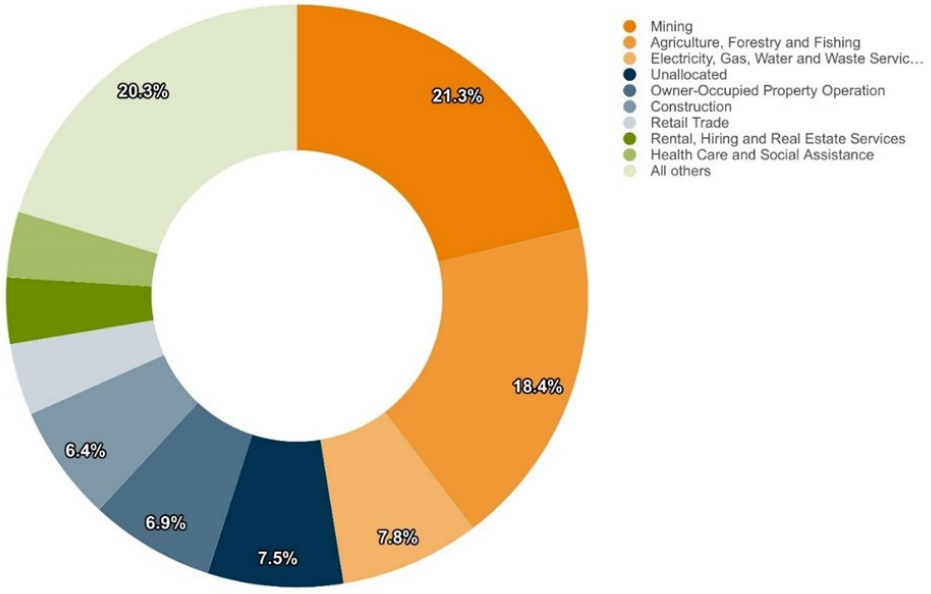


Perhaps unsurprisingly then, Infometrics analysis indicates most of the economic trends have been negative with a decline in GDP of 4.2% pa over the decade. In other words – the district has not kept pace socio-economically with the rest of New Zealand.

Currently most people work in the mining and agriculture industries, although the picture is distorted by the lack of tourists in 2020 and 2021[7] (Figure 3).

[5] Real Options Analysis of Strategies to Manage Risks to Westport from Climate Change, Infometrics June 2022.
[6] Infometrics Report: *Real Options Analysis of Strategies to Manage Risks to Westport from Climate Change,* June 2022.
[7] Also, tourism is not an identified industry in the national accounts (it is captured under 'other' in the pie chart displayed in Figure 3).

Figure 3 - Buller District Council – economy (Source: Infometrics)



The Buller District Council (BDC) submission on the draft National (climate change) Adaptation Plan drew upon data compiled by Local Government New Zealand to suggest:

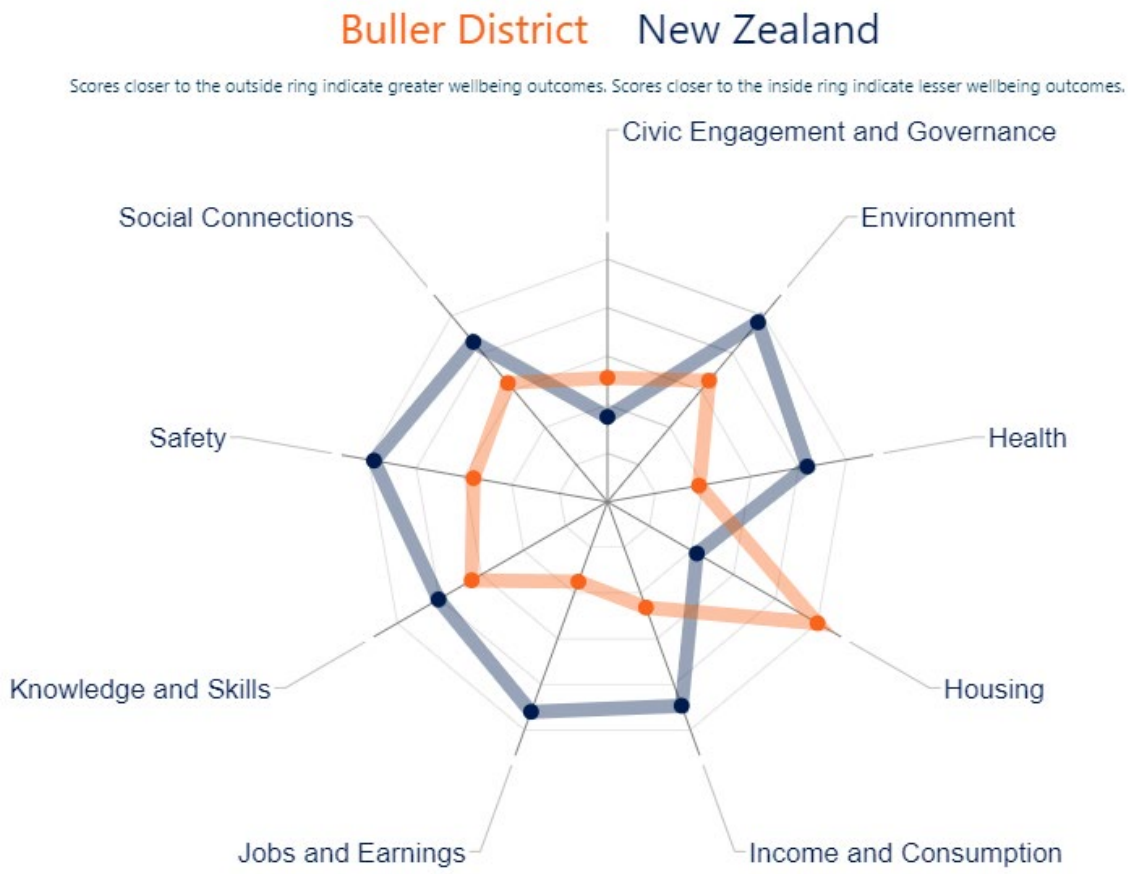
- The Buller District is the most deprived in the South Island with an overall deprivation index of 9 (where 10 is the most deprived).
- Urban Westport is ranked in the 92nd percentile for deprivation nationally.
- Buller district has the lowest household income level in New Zealand.

The Infometrics wellbeing framework shows how Buller performs on a range of measures relative to all New Zealand. In two areas - housing, and civic engagement and governance, Buller performs relatively well.[8] Despite a long-term trend of underperformance, Westport has an underlying economic viability. The Buller economy grew 15% in the year to March 2022, making it the second fastest growing territorial authority, although this was from a low base. Consumer spending was up 10% in the year to March 2022, running above the strong inflation rate of 6.9% in the same quarter.

Tourism expenditure has grown 9.8% over the past year, reflecting strong domestic visitor numbers that has offset the loss of international tourists. The Infometrics analysis suggests that tourism has both the existing economic mass and the potential to dominate economic growth in Westport and Buller over the next five years. Westport deserves investment in resilience building to help make this suggestion a reality.

[8] The housing measure is a combination of measures of home ownership, household crowding, housing affordability, and rental affordability. Civic engagement and governance are based on the turnout rates for local and general elections. The general picture, however, is of a region that has a lower level of wellbeing than the rest of New Zealand.

Figure 4 - Wellbeing framework (Source: Infometrics)



High commodity prices for the primary sector have also helped during the pandemic. The district dairy pay-out was forecast to grow by $24m in the 2021/2022 season, to a total of $150m.

Our housing market was strongly affected by the floods in 2020 and 2021, with house values falling 8.3% in the March 2022 quarter. But at the same time, new dwelling consents are up 94% in the year to March 2022, reflecting both the flood rebuild and renewed interest in the district that predates the flood. Non-residential consents have also been strong, growing 148% to reach $35m over the 12 months to March 2022.

We know that Westport is attractive to investment in tourism and in other industries that need to be close to specific raw materials, our wild landscape and have access to a local labour force. Although coal mining is a sunset industry, bituminous coal for steel production is found only on the West Coast, while further gold mining and rare earth mining (elements essential to electric vehicles) are also possibilities for the future.

We note the Crown has more than $1bn[9] in assets in Westport and will be a major beneficiary of resilience initiatives. The Crown does not pay rates.

Infometrics modelling indicates that tourism has both the existing economic mass and the potential to dominate economic growth in Westport and Buller in the medium term. We are positive about our economic future and have been actively working to improve both our economy and the wellbeing of our community.

[9] Page 32, Central Government Co-investment in Flood Protection Schemes, Te Uru Kahika, January 2022

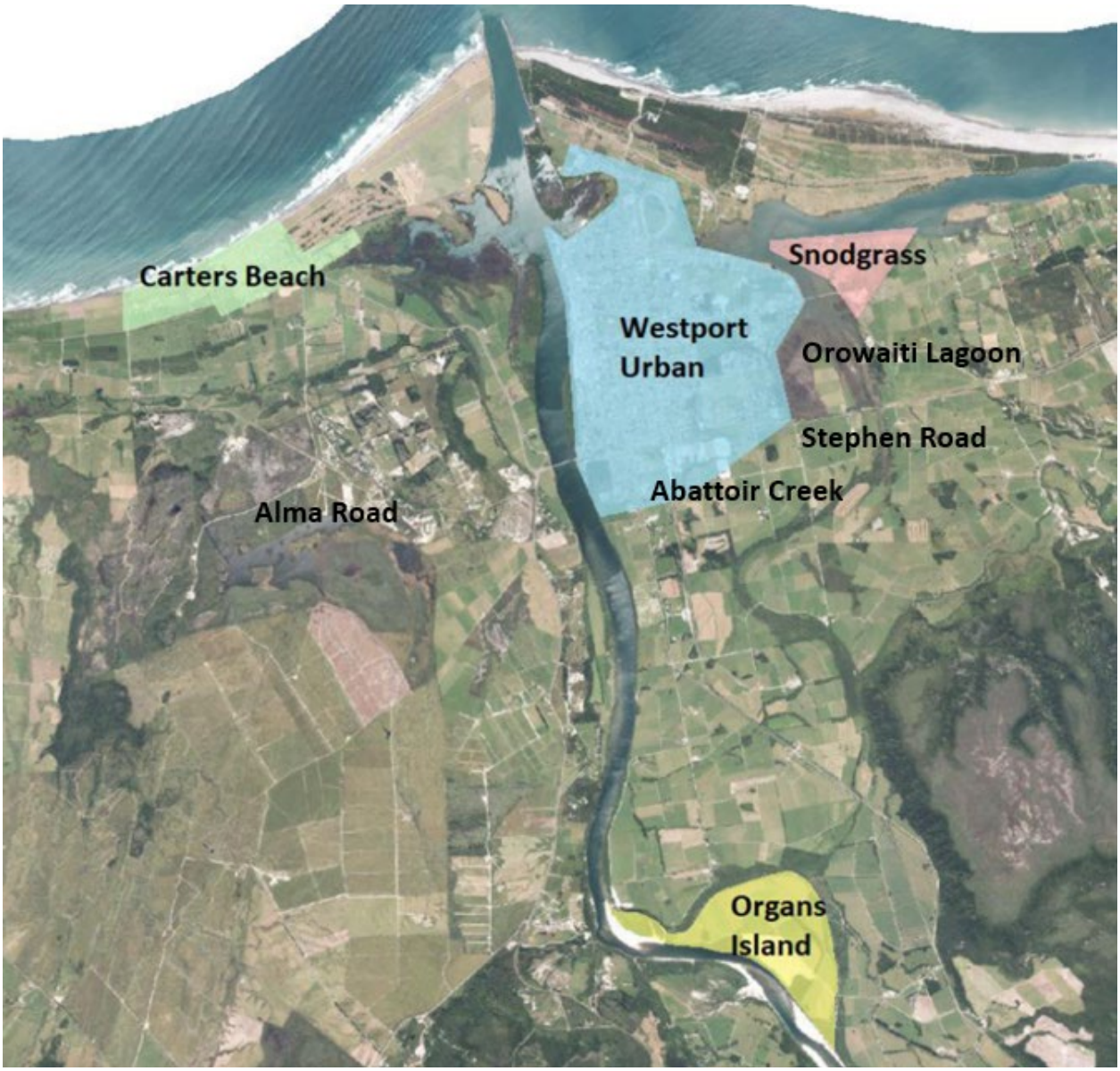
Welcome to Westport

In this proposal we will refer to some key areas of Westport (Figure 5):

- Carters Beach suburb (244 properties) includes wetlands, the airport, and a golf course. It already has rock revetment to help manage sea erosion around the airport.
- Westport urban (2,000 properties) is the main commercial and residential centre for the Buller District. It sits directly between the Buller River and the Orowaiti lagoon.
- Snodgrass Rd is a low-lying part of Westport that has been developed relatively recently, with a cluster of around 35 homes.
- Organs Island is not inhabited however it is a key piece of upstream reserve land that is owned by the Crown, but currently grazed by a local farmer.

This map contains the geographic scope of the project. While sea level rise is a factor and an input for modelling, it is out of direct scope for the project. There are resilience co-benefits from some of the investments (for liquefaction for example) but other than these co-benefits, other natural hazards are out of scope. They have, however, been considered in designing proposed flood risk mitigation structures.

Figure 5 – Westport and surrounds



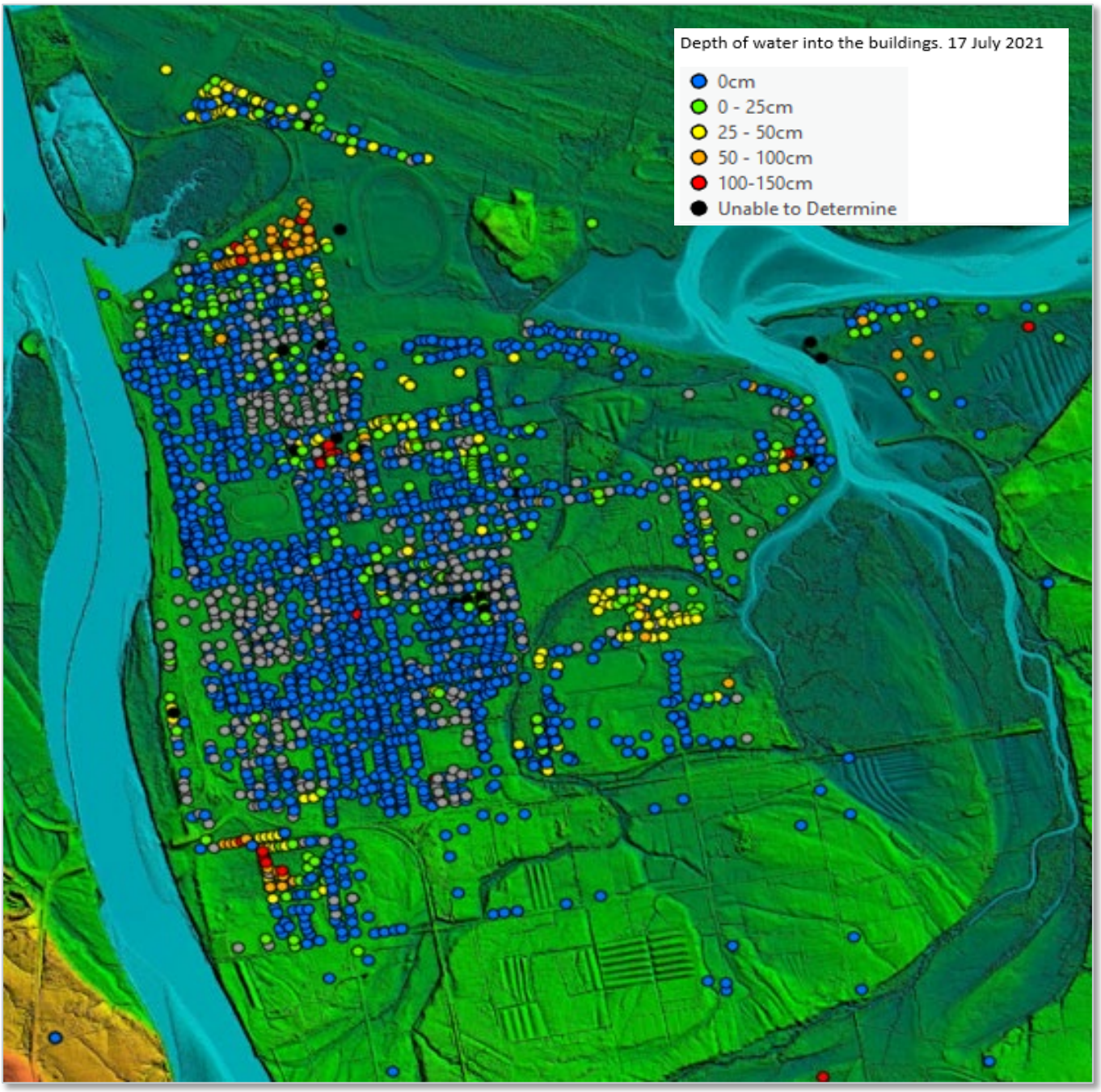
Flooding and Westport

The Buller River is the most powerful in New Zealand, with peak flows estimated at 12,700m^3/s in 1926[10], which is almost double any other recorded in New Zealand.[11] As a comparison, the mean flow of the Buller River is 454 cubic metres per second. The Buller catchment is very large.[12] The river passes through a small flood plain to discharge through a very confined exit (Figure 6).[13]

Figure 6 - The Buller River Catchment

[10] Flood modelling of the Buller River, Westport, NIWA.
[11] Flood flows on the Buller River were the largest of any NZ river recorded in almost a century | Stuff.co.nz.
[12] The headwaters of the Buller River are located in the Tasman District. This means that management of flood warning has been via a partnership between NIWA, Tasman District Council and WCRC.
[13] We gratefully acknowledge the assistance of Matthew Gardner of Land River Sea Ltd and Gary Williams of G&E Williams Consulting who prepared most of the Figures used throughout this Business Case.

Figure 7 – Flood depths, Westport, July 2021



Flooding has occurred throughout Westport's history. Major destructive events were recorded in 1873, 1926, 1970, and Cyclone Fehi in 2018 caused further flooding. Tragically, the 1926 event washed away the town pub.

The town is also exposed to coastal flooding, and flood events are exacerbated by high tides surging up the Buller River and into the Orowaiti Lagoon. With sea levels expected to rise by at least 1m in the next century, impacts from this will be accentuated. Further to this, rising seas increase groundwater levels, exacerbating flooding for low lying coastal areas.

In July 2021 and February 2022, the district experienced further large flood events.

Heavy rainfall from 15 July 2021 to 18 July 2021 caused significant flooding with the Buller River having a peak flow of 8900 cubic metres per second (Figure 7). This is the largest gauged river flow ever recorded in New Zealand. The flow breached Westport's flood defences, with 826 properties and over 2,000 people requiring

evacuation. Three separate civil defence welfare centres were established to support displaced people in need of emergency accommodation.

A total of 563 houses were damaged (with 71 homes deemed unsafe for ongoing occupation) representing 23% of the town's housing stock. The Insurance Council of New Zealand puts the insurance claims for the West Coast flooding from July 2021 at $88m to date (not all claims are settled).[14]

Figure 8 - Flood waters at the Buller Bridge, July 2021

While Westport was still in recovery mode, a second heavy rainfall event, from 1-4 February 2022, saw a further State of Local Emergency declared in the District, with people in at risk areas again evacuated. There was widespread local flooding with substantial damage in infrastructure and inundation of homes. On 9-10 February access to Westport was cut off, and water supply infrastructure was damaged.

The Government saw the plight of Westport people, and NEMA – supported by other agencies - was quick to provide response and recovery relief.

[14] Cost of natural disasters – ICNZ, June 2022

Climate Change and Westport

Changes to the intensity and frequency of climate change-induced flood events is the biggest natural hazard challenge New Zealanders face. Climate change will substantially increase the severity and frequency of the risk of flooding. This will cause higher levels of damage and more frequent damage to the land and assets located behind existing flood protection structures and to adjacent communities. There will be associated increases in social, cultural, and environmental costs.

Recent Westport flood events are a salient reminder of this. Climate change will also shift the area of geographical risk of floods and make new areas, not presently affected by such events, more susceptible to floods.

There are many uncertainties around climate change predictions for the Buller Catchment. It is generally accepted that peak rainfall intensities are likely to increase, and sea level will rise. The main effects of climate change on Westport are expected to be increased rainfall and runoff from the Buller River catchment, along with an increase in bed load volume due to more landslip materials entering the river.[15]

The viability of industry located at flood-prone locations and the potential for disruption to business is further affected by the increased risk to infrastructure such as road and rail bridges that service these premises. Westport is not alone in the challenges it faces. Significant Central and Local Government owned infrastructure is exposed to sea level rise[16].

The recently released research published by NZ SeaRise[17] shows that, in many places throughout New Zealand, rising sea levels - due to climate change, will impact as soon as 2040, rather than 2060. This is because land subsidence (and in some instances – uplift) is now being factored into predictions. This means Local and Central Government's time to react is effectively being squeezed.

Climate change warms the air. Warm air carries more moisture (8% per degree). The Tasman Sea is also warming. As a result, we can expect more intense rainfall more often.[18] Increased rainfall will increase erosion, increase river flows, and potentially cause more gravel deposition. As a result, rivers are likely to widen. Research[19] suggests:

- There was 10% higher rainfall in the July 2021 event due to climate change than would have been the case without climate change.
- There may be 9-19% more rainfall by 2100.
- There may be a 11-25% increase in the 1% AEP[20] flood flow at Te Kuha by 2100.[21]

This does not mean that we can wait until 2100. We are living this here and now, and we are more vulnerable than most. Families are worried about their safety and their immediate futures. As decision makers, none of us will be forgiven if we fail to act swiftly and decisively. We realise that legislative change is in the wind, however time is not on our side, and we cannot wait. Even if the Government decides not to provide support, that must occur clearly and quickly so that we can get on with what is possible, without external support.
The worst thing we can do is to do nothing.

[15] Gravel bed load movements from the catchment will also increase due to more intense rainfall and greater flood flows. Natural deposition rates at the river mouth will increase due to the rise in average sea level.

[16] LGNZ submission on the draft National Adaptation Plan, June 2022.

[17] Te Tai Pari O Aotearoa, May 2022.

[18] Stone D.A., Rosier S.M., Bird L., Harrington L.J., Rana S., Stuart S., Dean S.M. (2022) The effect of experiment conditioning on estimates of human influence on extreme weather. Weather and Climate Extremes 36(September 2021):100427.

[19] https://doi.org/10.1016/j.wace.2022.100427.

[20] AEP is the probability of a flood event occurring in any one year.

[21] Zammit C. (2022) Climate change impact on peak discharge and bank-full flow duration at Te Kuha Stream: An analysis of Te Kuha streamflow gauging station under different warming scenarios and for different return periods and durations, NIWA Client Report 2022038CH.

Other Natural Hazards

Sea level rise

By the year 2090, the mean sea level and the coincidence of peak tides and large river flows is expected to increase. These effects all combine to imply that today's 0.01 AEP (annual event probability of 1:100 years) magnitude storm event will become much more frequent.

Westport survey and sea level rise measurement devices provide uncertain benchmark data about the rate of sea level rise. This is because of the influence of waves, their short record and the possibility of local subsidence affecting the Westport Harbour quayside. The main point we note is that sea levels are higher[22] now than they were at the time of the 1926 and 1970 floods[23].

Liquefaction

Liquefaction records[24] for the area show that during previous seismic events, large areas of Westport are vulnerable to liquefaction due to its location on the Buller River flood plain. This plain consists of loose, fine river sediments.

Liquefaction vulnerabilities present an acute risk given the Alpine Fault has a high probability (estimated at 30%) of rupturing in the next 50 years[25]. This rupture is expected to produce one of the largest (if not largest) earthquakes since European settlement in New Zealand. If this occurred, it would likely cause widespread damage.

The most vulnerable area is likely to be around the northern end of Westport near the Orowaiti Lagoon. This area experienced liquefaction during the 1968 earthquake[26]. We also note that liquefaction in Westport occurred during events previously considered too small to cause liquefaction (i.e., less than a Magnitude 6 earthquake). This means that during large seismic events (i.e., greater than a Magnitude 7 earthquake) liquefaction could potentially impact the entire town.[27]

Coastal accretion

Port construction and the rock groynes constructed to protect the mouth of the Buller River have caused significant coastal gravel build-up to occur on either side of the river mouth. This build-up has prevented the Orowaiti River from exiting to the sea at its historic exit point (Figure 9).[28]

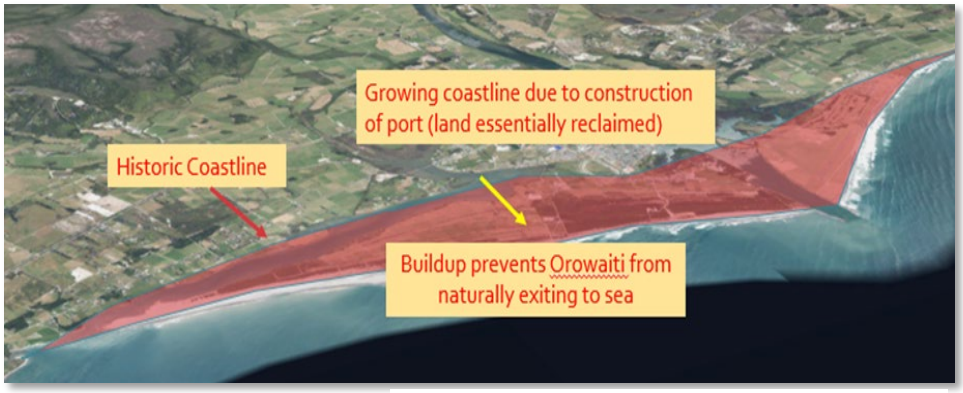


Figure 9 - Coastal Accretion

[22] Pers. Comm. Matthew Gardner, Land River Sea Consulting Ltd.
[23] We can see strong merit in placing a sea-level-rise measuring device off the coast at Westport. We address this suggestion later in our proposal.
[24] Liquefaction Records for Buller District to March 2011.pdf (wcrc.govt.nz).
[25] Alpine Fault / Major Faults in New Zealand / Earthquakes / Science Topics / Learning / Home - GNS Science.
[26] Liquefaction Records for Buller District to March 2011.pdf (wcrc.govt.nz).
[27] As will become apparent later in this report, the risk of liquefaction has been considered by the Technical Advisory Group (TAG) as part of the recommendations they have made about the design, composition, and alignment of the proposed embankment.
[28] Image sourced with thanks to Matthew Gardner Land River Sea Consultants.

Strategic Alignment

Our proposal aligns with several areas of Central and Local Government strategy.[29] We draw attention to these because they add context and evidence to demonstrate a clear alignment between our request and the existing policy settings.

Alignment with Local Government Aspirations

Flood resilience investment aligns strongly with the strategic intentions of the BDC and WCRC, as well as national policies. We also have a strong desire to collaborate with Te Runanga o Ngāti Waewae throughout the process. This section demonstrates how investment into flood reliance aligns with our statutory obligations and the aspirations of our local community.

BDC

BDC's proposed activities are documented in the 2021-31 Long-term Plan (LTP), a ten-year plan reviewed in partnership with the community every three years. The LTP 2021-2031 sets out the Council's goal as -
To promote the well-being of our local communities.

In achieving Council's goal its mission is -
To serve the residents of the Buller district, conscious of their needs, by providing facilities and services and creating an appropriate environment to progress development while preserving the distinctive natural environment, as well as cultural and historical environments.

In preparation for the LTP, an Environmental Improvement and Prosperity Strategy was developed. It seeks to create community wellbeing through five domains – socio-economic prosperity, affordability, climate change preparedness, environmental sustainability, and district revitalisation. Opportunity exists to advance the five domains through recovery and resilience building, thereby assisting in the creation of a thriving community. The strategy is imbedded within and guides the LTP's outcomes, activities, planning and prioritisation.

Investment in natural hazard management is directly linked with the following community outcomes and associated goals, as outlined in the Council's LTP.

- Social – our communities are vibrant, healthy, safe, and inclusive.
- Affordability – our communities are supported by quality infrastructure, facilities and services that are efficient, fit for purpose, affordable and met our current and future needs.
- Environment – our distinctive environment and natural resources are healthy and values.

WCRC

In its 2021-2031 LTP, WCRC identifies the following community outcomes for the West Coast region, which are supported by various council activities:

- Economy - a thriving, resilient and innovative economy is promoted, which creates many opportunities for growth, wealth generation and employment.
    - Flood warning services and flood protection works help the economy by ensuring business confidence in investing in flood protected areas. Protection works also increase property values in affected areas.
- Environmental - the high quality and distinctive character of our environment is retained.

[29] See Appendix three

- Safety - a region that is a safe place to live, with a strong community spirit and cohesion.
    - The Council's flood warning service and the flood protection works assist with community safety in areas protected by those services, during flood events.
    - Civil defence work is primarily concerned with community safety in a major emergency event.

Flood Protection Schemes

There is a general view in Local Government that the current model for funding flood protection needs overhaul. To fund expensive flood mitigation works, most councils now top up funds, from targeted rates on property owners in areas of high flood risk. Some councils, such as Auckland Council, pay for flood protection entirely from general rates.

Council-run flood risk mitigation schemes do not benefit everyone equally, with property owners in less affluent communities like Westport being less likely to join voluntary funding schemes. We have many anecdotes of low-income ratepayers having to pay their rates at $5 per pay because they simply cannot afford to pay more than that. The current model of funding flood risk mitigation is no longer sustainable.[30]

A report by Te Uru Kahika[31] [32] outlines how regional councils are seeking Central Government co-investment in 'fit-for-the-future', risk-aligned, climate change resilient and environmentally sensitive flood protection schemes. This sought after outcome was viewed as a necessary response to the increased magnitude and frequency of climate-change-induced flood events - exactly what we are seeing here at Westport.

Councils are seeking a national shift in Central Government attention from disaster relief and rehabilitation towards necessary 'top-of-the-cliff' mitigation of flood risks. Te Uru Kahika argues this is achievable if Central Government was to agree to co-invest in flood protection schemes, such as that proposed for Westport.

The Te Uru Kahika report noted that flood protection schemes have been some of the best value public investments ever made in New Zealand. The report also noted that addressing contemporary New Zealand-wide challenges would require a step-change in both the volume and type of investment in flood risk management.

The report envisaged the greater use of a 'multi-tool'[33] approach to building community resilience against the effects of flooding is required. This included a reference to the need for more focus on the more effective use of improved planning tools - to define where and how development occurs.

For the past three decades, Crown-owned and related assets have received flood protection at a cost to regional and targeted local ratepayers, with little contribution from the Crown. These protected Crown assets include rail and road infrastructure, communication and electricity transmission infrastructure, some airports and education and health facilities.[34]

The cost of flood events may be counted not just in terms of the cost of replacing or restoring privately owned buildings and overcoming other property losses. There are also other tangible costs. These include the number of hours or days businesses cannot operate at full production and the cost of disruptions to the functionality of Crown assets.

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[30] See draft 'Funding and Financing for flood protection – progress to date' (Local Government briefing, LG202100747, 17 June 2021).
[31] Te Uru Kahika is a collection of 16 regional and unitary authorities that have been working together on a wide range of matters. They are charged with managing land, air, and water resources, supporting biodiversity and biosecurity, providing for regional transport services, and building more resilient communities in the face of climate change and natural hazards.
[32] Central Government Co-investment in Flood Protection Schemes (January 2022).
[33] This is explained in more detail later in the proposal. A multi-tool approach is encompassed in the PARA framework. We also explain this framework later in our Business Case.
[34] Economist Julian Williams has estimated the capital value of Crown assets in Westport to be more than $1 billion. This research is referenced in the regional council's substantive 2022 report.

In addition, flood costs have both an immediate and sometimes an on-going effect on people's lives. This includes the effect on the willingness and ability of the residents affected by flooding to continue to live and invest in areas subject to flooding. Westport knows this problem all too well.

To avoid a worst-case flood disruption scenario, the Te Uru Kahika report called for scaled-up Central Government and regional council investment in flood protection schemes.[35] The overriding reason offered for this co-investment was to create resilient communities and sustain economic enterprise. We strongly support this request and the rationale underpinning it.

The Te Uru Kahika report clearly noted that flood protection schemes are nationally important. They are viewed as underpinning the integrity of public and private assets and lifelines and provide resilience and security to communities and their investments. The report concludes that Central Government co-investment in flood protection schemes is vital because it:

- Is fiscally responsible and fair to make such investments.
- Reflects Treasury's Living Standards Frameworks.
- Is supportive of wellbeing and social inclusion and is likely to reflect equity / ability to pay considerations.[36]
- Is supportive of job creation, protective of previous regional economic development investments and contributes to the desire to lift the future productive potential of the regions.
- Contributes to the security of access routes (rail and road) and the communication infrastructure that is vital for commerce and community functionality.
- Reflects international obligations, as recognised by New Zealand signing the UN Sendai Risk Management Protocols.
- Directly protects significant crown assets such as hospitals, schools, infrastructure etc.
- Contributes to investment opportunity costs – that is, it provides investment with the confidence required to want to invest in the future of their area.
- Diminishes the risk of escalating insurance premiums, the reduction in the uptake of private insurance and the associated risk of insurance companies refusing to provide insurance cover in flood risk areas – leaving the Government as the 'bottom of the cliff ambulance.'
- Contributes to the environmental and water quality expectations of our communities and iwi / Māori partners.
- Provides for resilience and adaptation against the effects of climate change-induced 'above-design' storm events.

We see strong sense in all the above reasons for Central Government to consider co-investing in flood risk mitigation at Westport. There are 367 flood risk mitigation schemes throughout New Zealand. The Westport flood risk mitigation scheme should bring the number to 368.

[35] Te Uru Kahika requested Central Government to contribute $150m per annum to the $200m currently committed by the regional sector.

[36] Equity and ability to pay considerations are likely to be one of the many important elements considered in designing the detail of a Central Government co-investment programme.

Alignment with Government's Infrastructure Plan

The government's Thirty-Year Infrastructure Plan records the average annual costs of responding to flood events now exceeds $50m. While necessary, the Plan notes – and we agree, this is sub-optimal expenditure compared to preventative investment. As such, it does not minimise future risk to the community or Central Government and Crown assets. This 'after event' focus means government bears an excessive unfunded future liability in its fiscal accounts.

The Plan also notes the severity of the consequences of not securing and enhancing the integrity and service levels of existing flood protection structures, and the community resilience role they play, increases every day. The fiscal consequences for government of not proactively investing at the top of the cliff are growing at a similar rate.

Alignment with advice from the Productivity Commission

The Productivity Commission enquiry into Local Government funding and financing[37] selected flood protection schemes as an example of a function deserving of a 'stepped-up' co-investment-focused-arrangement between central and Local Government.

The terms of reference for the Productivity Commission's enquiry, as issued by the Ministers of Finance and Local Government, noted that:

- Local authority debt has grown steadily since 2006 to the point where some councils are now coming close to their covenanted debt limits.
- One of the major factors influencing local authority debt is the cost of adapting communities and infrastructure to mitigate risks and hazards associated with climate change.

The Commission favoured the 'benefit principle' as the primary basis for deciding who should pay for Local Government services. In this regard, the Commission noted – with more than passing interest to Westport that '*some local assets and their associated services could benefit… national interests. In these cases, the benefit principle points to shared funding with a contribution from Central Government'*.

In addition, the Commission identified four key areas where the existing funding model is insufficient to address cost pressures:

- Supplying enough infrastructure to support rapid urban growth.
- Adapting to climate change.
- Coping with the growth of tourism.
- The accumulation of responsibilities placed on Local Government by Central Government.

All four of these identified areas support the need for co-investment by Central Government in flood protection schemes, such as that proposed for Westport.

In addition, the Commission suggested the Government should more clearly specify the role that may be played by Waka Kotahi[38] in assisting those councils such as WCRC and BDC, who are facing significant threats to the viability of roads and bridges from climate change. We need these parties to join us as we seek to overcome the exacerbation of flood risks because of the narrowing of river channels by bridge structures and related embankments. The Orowaiti and Buller River bridges are cases in point.

[37] Productivity Commission, Local Government Funding and Financing, 30 November 2019.

[38] Government may also provide aid to parties affected by flood events within the terms and conditions defined in the On-Farm Adverse Event Recovery Policy administered by the Ministry for Primary Industries.

Alignment with RMA Reform

The need for a comprehensive approach to flood risk management is clearly encompassed in the reform of the RMA programme, and especially the Climate Adaptation Act. The Climate Adaptation Act is to be developed next year, but it will come too late for Westport. Even today, as we attempt to address resilience through our 'combined' District Plan, we cannot prevent development in flood zones. We are working on it, but we are finding that, right now, we cannot avoid more people and property being put in harm's way. We hope our frustrations can help to inform the Act.

We noted wryly that Westport is a case study referenced in the draft National Adaptation Plan (NAP). Frankly, Westport is the case example of the NAP in action. We welcome the opportunity provided by Central Government to test and refine emergent adaptation policy. In anticipation, we are now actively applying a more comprehensive approach to flood protection than in the past.

We think that our experience to date has given us a sound understanding of what constitutes good governance and decision making around climate adaptation decisions. Our Westport experience will also inform other themes currently under consultation in the draft National Adaptation Plan, such as the intersection with the insurance sector. Through necessity, we have found ourselves making the long anticipated hard calls on who pays for adaptation and who benefits in the absence of a policy framework, while also attempting not to create winners and losers (although to be honest this almost seems unavoidable). We have found that published guidelines are not of much practical use.

Alignment with government's previous shovel-ready funding decisions

In 2021, regional councils received $217m toward 55 shovel ready flood protection projects. These projects had a total cost of $313m. Funding was provided at a 75% ratio for projects in those regions viewed as having comparatively high levels of deprivation.

This funding was part of Central Government's Covid recovery programme. A central / regional governance oversight arrangement is in place to provide governance to the delivery of the 55 projects. This is the 'IRG Kānoa Climate Resilience Flood Protection Programme.'[39]

There are many more projects needed throughout New Zealand of the type co-funded by the government in 2021. The proposed Westport flood protection scheme may well have been included in this programme but, at the time, it was not regarded as shovel ready. We are now shovel ready.

[39] This governance arrangement is suited to application to the Westport flood protection scheme.

Alignment with recent Cabinet policy decisions

The foundation for DIA's refreshed thinking about the funding models that may be applied to future flood protection investment was recorded in a July 2020 Cabinet paper *Improving Resilience to Flood Risk and Supporting Covid-19 Recovery.* This Cabinet paper noted:

- Current funding arrangements for flood protection infrastructure were established over 30 years ago and they are no longer considered sustainable or consistent with delivering outcomes in line with (the) proposed framework and principles.
- Subject to further work, Central Government's funding approach to building resilience should consider the benefit principle, fairness, and intergenerational wellbeing.
- Officials will work with Local Government to develop a revised funding model for flood protection, based on the proposed framework and principles, which would be implemented over the longer term.

The proposed principles[40] referenced in the Cabinet paper's appendix, state an intention to:

- Target action where national assets and national interests warrant Central Government intervention and funding.
- Intervene in projects where there is a significant economy of scale or time constraints, distributional concerns, to protect health and safety, and to protect kaitiakitanga.

We are strongly of the view that Cabinet's principles will be more than adequately satisfied by co-investment in a flood protection scheme at Westport.

[40] As included in Appendix B of the July 2020 Cabinet paper.

Our Story So Far

The Westport community will struggle to sustain another event, physically, psycho-socially, and financially. We are anxious and uncertain about the future, during a time of growth for the town. We are not in a position to invest heavily in flood resilience, and so we were very grateful to be invited to participate in a ground- breaking collaborative process that could see co-investment in Westport's long-term flood resilience. We welcome the opportunity to become a model for other small communities facing similar climate related challenges.

Things for us to address

It was made clear to the Councils that in order to win Government support, several factors needed to be satisfactorily addressed:

- A Steering Group should oversee proposed resilience initiatives.
- An integrated package of initiatives outlining Council(s) involvement should be displayed.
- Value for money should be demonstrated.
- Robust costing processes need to be applied.
- A clear plan of action should be defined.
- Outline why current policy and funding levers are insufficient.
- Describe why Buller is an urgent and compelling case.
- Describe how the proposal supports government goals in climate adaptation, community resilience, and resource management reform.

We recognised early that good governance would be the key to producing a positive outcome. The Buller Recovery Steering Group formalised its Terms of Reference (see Appendix two) and put in place a recovery work programme (Figure 10) and risk register - overseen by regular Steering Group meetings, to provide assurance that tasks were on track.

Better Business Case

The Steering Group was aware that Treasury's Better Business Case (BBC) framework is the accepted model for investment by Central Government. We have embraced the principles of this BBC framework, and we have attempted to address the challenge we face though a BBC lens.

An overview of the five BBC elements follows, together with a brief description of what we have done to satisfy these elements.

- **Strategic case**: the alignment of the need for change with wider national and sectoral priorities, goals, policy decisions and programmes, district equivalents of these matters, the scope of the project, the challenge to be addressed and the benefits sought – *we have addressed these matters in the previous 'strategic fit' section of our proposal.*
- **Economic case**: the critical success factors, process applied to move from a long list of options to a preferred set of options, the economics of preferred options and the cost / benefit of these options - *we have provided details about what a flood risk resilient Westport community may look like at various points throughout our proposal, we started with a long list of options and reduced this to a preferred short list and we have applied cost-benefit assessment to various intervention options.*
- **Management case:** the approach to be applied to deliver on the preferred set of options and the plan to allow for that delivery – *the last part of our proposal provides details about governance, management, timeline, and other things guiding the delivery our proposal.*
- **Commercial case:** the procurement strategy and the ability of the market to meet needs - *we outline our proposed approach to procure the products and services we need in one of the latter sections of our proposal.*
- **Financial case**: a high-level assessment of the affordability of the short-listed options and possible funding sources – *we have already provided information about the socio-economic status of the*

Westport community. Details about our proposed co-investment / cost sharing arrangements are summarised at the end of each part of our proposal.

The conclusion part of our proposal provides a summary spreadsheet displaying how we have satisfied the above guidelines.[41]

Critical success factors

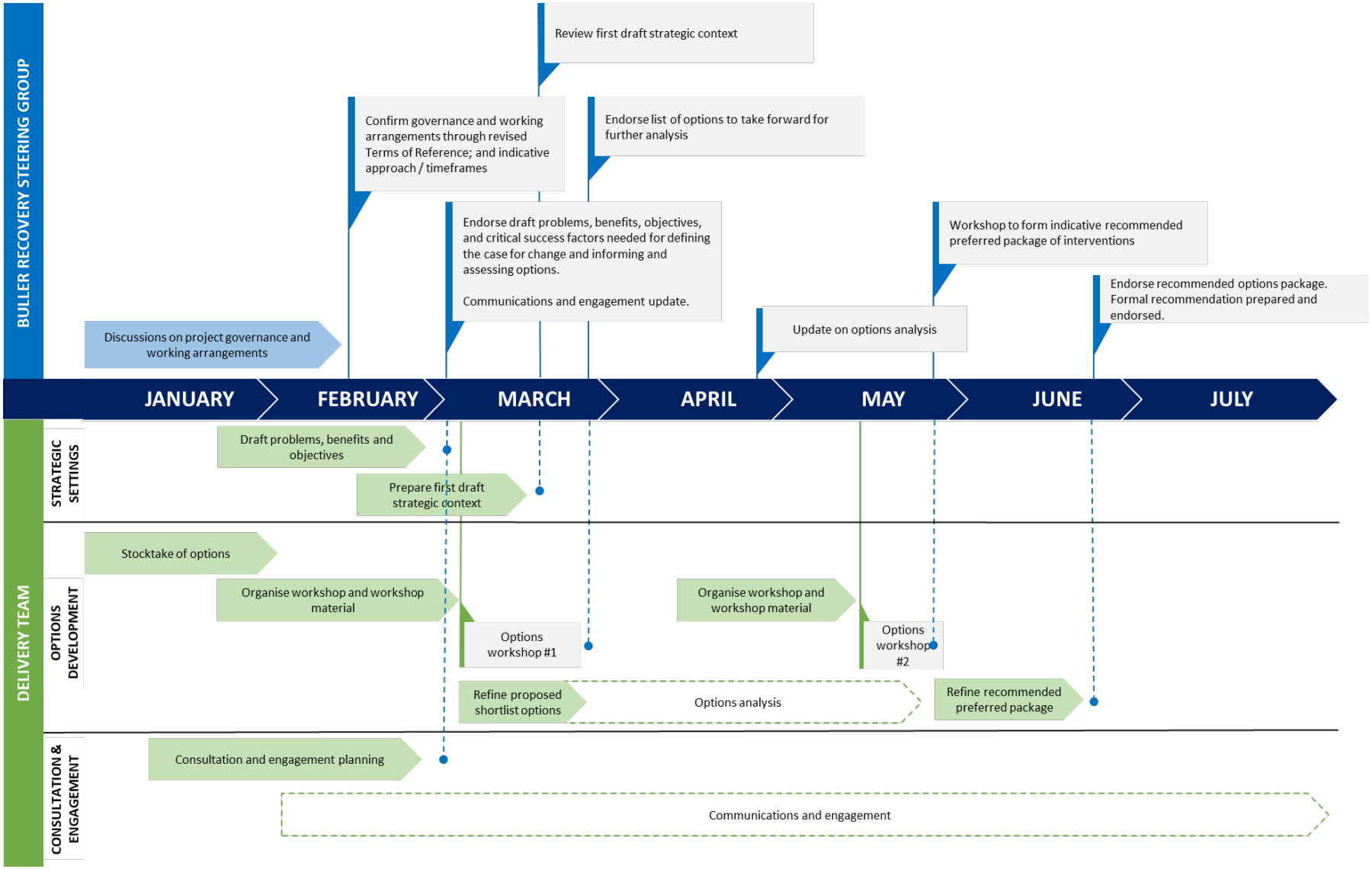
Our proposal is underpinned by a set of strategic settings that the Steering Group agreed early in the preparation of our Business Case.[42] They include the project's Critical Success Factors. The settings also incorporate the following objectives, against which all options were assessed:

- Reduce the risk of flooding from severe weather events on the Westport community, recognising and providing for the likely impacts of climate change.
- Avoid increasing or transferring flood risk to other areas within the Buller catchment or wider region.
- Improve the ability of the Westport community to prepare for, continue functioning during and after, and recover quickly from flooding events.
- Minimise the long-term financial burden of flood mitigation and protection on the Buller community.

[41] Appendix Four provides a summary of the page location within which we address each element of the BBC.

[42] We list these in the later 'protect' part of our proposal.

Figure 10 - Work programme

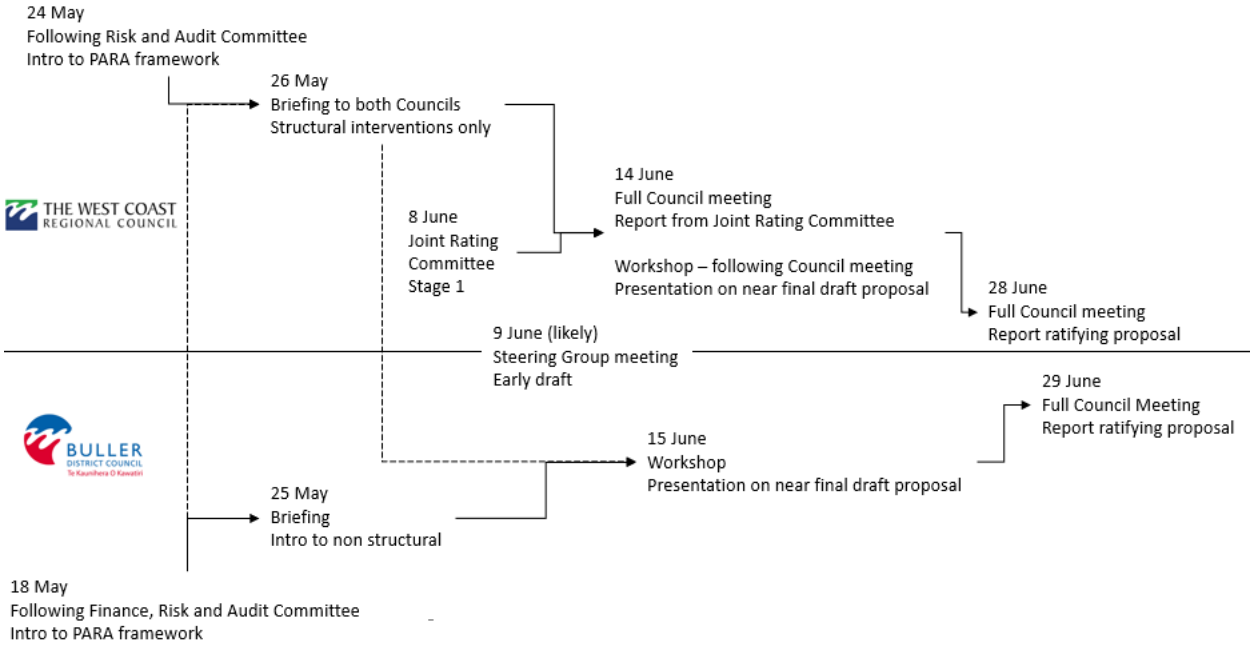


Communication

One of the key challenges with central and local collaboration is the synchronisation of respective democratic processes. The team carefully designed the process below to ensure integration between the Steering Group, Councils and Ngāti Waewae, to give the best chance of success.

One of our key challenges has been the synchronisation of communication around this process. No decisions have yet been taken. No decisions can be taken until funding is approved or otherwise. Nevertheless, a level of detail is required in order to provide robust costing and to demonstrate value for money. There is naturally a high level of interest in this detail. We could not in good conscience undertake decision making around the proposal in secret. At any rate, we do not consider that there is any reason under the Local Government and Official Information and Meetings Act for us to withhold information about this proposal. We have all fully engaged in this process (Figure 11).

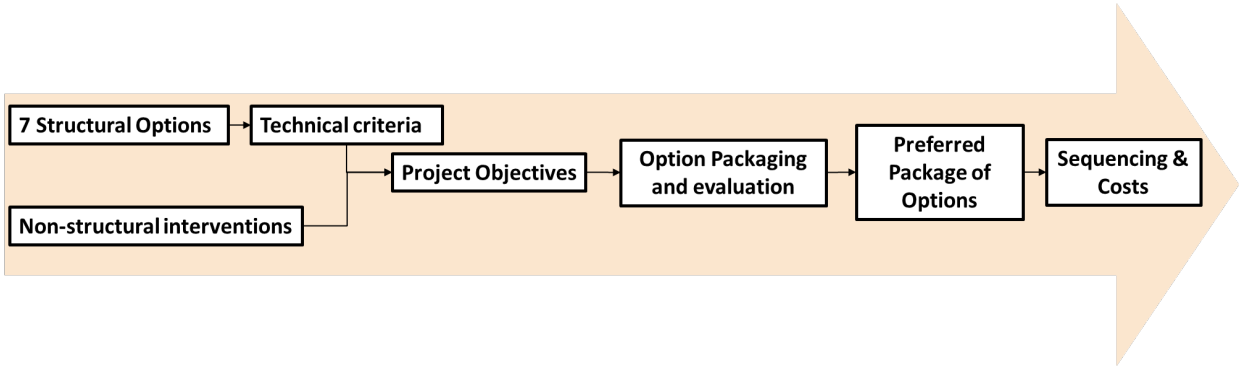
Figure 11 - Local Government democratic process



The engine room for developing the detail of our proposal is the process below. We co-opted the input of a wide range of stakeholders to develop a long list of interventions to grow Westport's flood resilience. Some of these were hard structures, others were non-structural interventions. We put these options through a series of technical and strategic evaluation criteria to distil the options down to the package presented in this proposal. This was a complex undertaking that did not sit comfortably within a traditional multi-criteria evaluation framework.

Process Overview

Figure 12 - Process Overview



We knew we would need both rigour and integrity around this process. We allocated senior internal resources from both Councils, and we engaged experts to provide technical inputs. This included:

- Establishment of a Technical Advisory Group (TAG) of senior experts to provide guidance around the structural options. The work of the TAG drew on the Westport 2100[43] work previously completed, and other local knowledge.
- Enlistment of two TAG members, Gary Williams from G & E Williams Consultants and Matthew Gardner from Land River Sea Consulting Ltd[44], to provide wider advice to decisions makers and, in the case of Matthew, to provide scientific advice to the wider public.
- Infometrics[5] provided high level economic analysis.
- WCRC and NIWA rainfall and river flow monitoring data.
- NIWA provided some detailed loss modelling using the RiskScape model.
- Poutini Environmental provided guidance around local Mana Whenua concerns and aspirations.
- Tonkin Taylor provided some technical advice and frameworks for the options evaluation.
- Government departments were very forthcoming with advice and assistance, in particular MBIE, DIA, NEMA and Waka Kotahi.
- Landmark Lile Ltd provided a report on the consent-ability of structural options.[45]
- A report was prepared by HenleyHutchings on the 'strategic fit' between the scheme options and national, regional, and local policy and contextual matters.[46]

Planning Principles

We realised early on that there is no silver bullet for Westport. We have therefore been working hard on expectations to make sure key stakeholders and the wider public are aware of this. In addition, there are some obvious constraints, dependencies and tasks that need to be carried out. In this regard, we have used the following principles to guide expectations:

- *We cannot protect every single bit of Westport*. It is simply not feasible or affordable.
- *It is unlikely that we will be able to build our way out of this forever*. While it makes sense in the short term to build some embankments and structural defences, in the long term the reality is that we are unlikely to be able to afford or will want to do this forever – a range of adaptation options will be necessary.
- *We can't eliminate all the risk*. In agreeing on the structural solutions, we need to be very clear that embankments and other structural defences won't 'solve the problem'. Far from it – and no

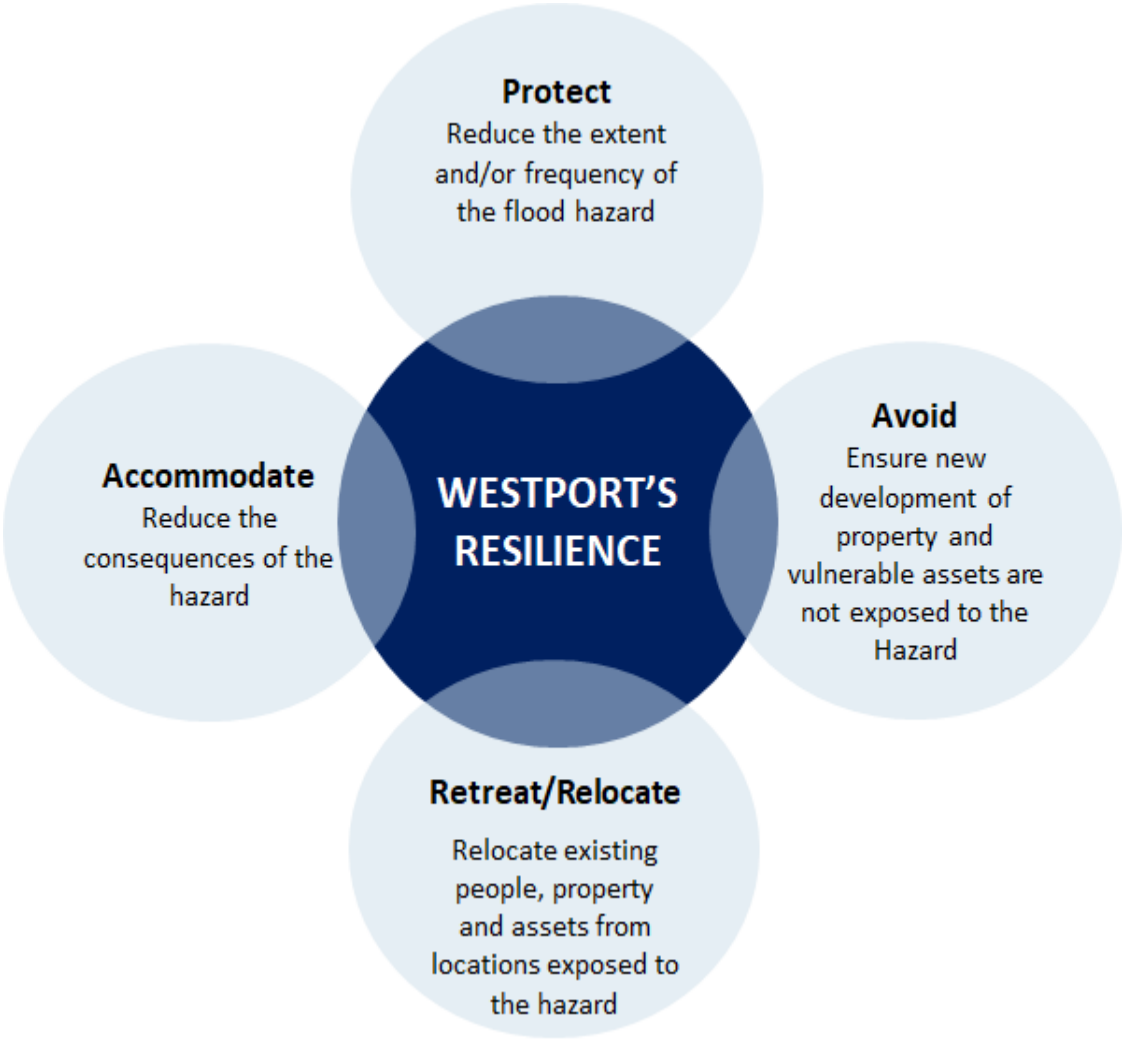
[43] Among other things, the Westport 2100 Group recommended formation of the Westport Rating District Joint Committee and the development of the flood protection scheme detailed in the WCRC Long-Term Plan 2021-31.
[44] This modelling covered the effects of different flood frequency / magnitude scenarios and the flow management opportunities arising from more than seven different flood risk mitigation options. The modelling also considered the effects of a full range of future climate change scenarios.
[45] Advice was provided by Landmark Lile Limited, Resource Management Consultancy, Nelson.
[46] 'Strategic Fit' HenleyHutchings, June 2022

engineer will ever give a guarantee that the structures won't be overtopped – especially with more climate related weather events now certain.

- *We don't have to do everything tomorrow*. Proposed measures to avoid, retreat, and accommodate Westport flood risks will be delivered in an ordered sequence – some in the short term; some over the next 25-50 years.

Our Proposal – The PARA Model

We have embraced the PARA model for our proposal.



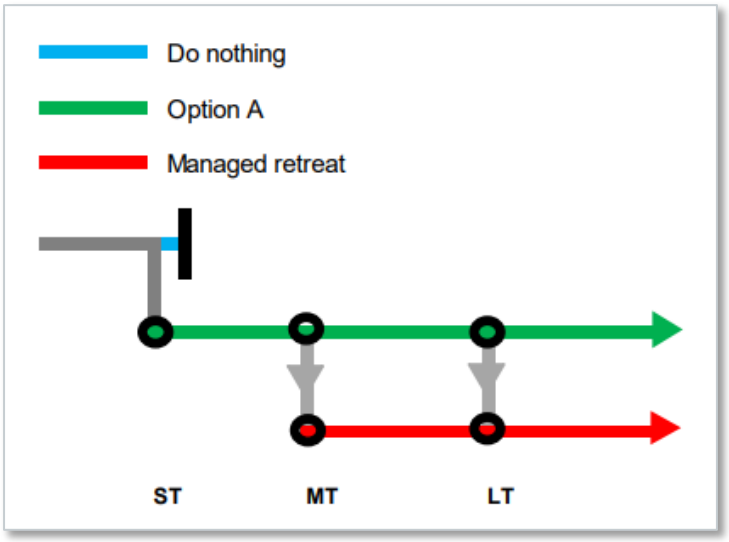
The model is adopted from overseas and has been utilised by both NEMA, DIA and the Ministry for the Environment. It is commonly used for managing sea level rise and flood risk to communities. The model appealed to us because:

- This is a logical and robust way of categorising the complex range of tasks that are required to manage climate related issues. It broadly aligns with the four Rs of CDEM[47]. It reflects the application of what we see as a necessary 'multi-tool' approach.
- It shows how resilience is not the domain of a single organisation. One of the challenges with achieving true resilience is the need to integrate across organisational boundaries and to find compromise.
- There is a range of co-benefits available from investing in resilience. The model provides for this to be brought into relief.
- Not everything has to happen at the same time. Often there is a temptation to 'solve' the problem by making all the decisions today. In fact, there is a range of short (ST), medium (MT)

[47] Reduction, Readiness, Response, Recovery.

and long-term (LT) options available (Figure 13). Some decisions can be deferred until further knowledge is available. Adaptive pathways should be applied. This is covered in more depth later in the proposal.

Figure 13 - Adaptive Pathways (Source: Infometrics)

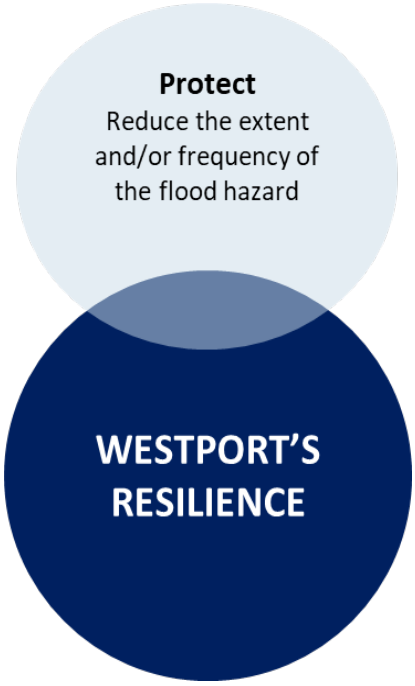


PARA highlights the interdependence between various decisions and helps decision makers to ensure an integrated package of initiatives is applied. It shows that decisions taken today must not prevent future decision makers from making their own sensible decisions. We have thought about our mokopuna and future generations as we have developed this proposal. Each facet of PARA, and its related flood resilience proposals, is described in detail in the following sections of our proposal.

Protect

Reduce the extent and/or frequency of the flood hazard

Protect



Approach

The focus of this part of our Business Case is on proposed Westport structural and nature-based flood risk mitigation measures.

The WCRC has investigated flood mitigation scheme options since the mid-2010s. The first significant step toward a solution took place in 2014. A Buller Working Group was formed as a joint working committee of BDC and WCRC. The Group consulted with the community and investigated a wide range of potential mitigation options. This included considering the options of clearing the Orowaiti overflow and dredging the Buller and Orowaiti Rivers. External experts provided advice to the Group.

In 2017, the Group put forward five flood risk mitigation options to the community. These options included the ring-bank options described in the WCRC 2021-31 Long Term Plan (LTP), as well as a cut to the sea at the Orowaiti River mouth.[48]

The next significant step was formation of the Westport 2100 Working Group (2018). The recommendations of this Group were forwarded to WCRC and BDC in September 2019. With this background work in mind, the draft 2021-31 WCRC Long-term Plan (LTP) included two choices for flood risk mitigation:

- Development of partial stopbanks and a flood wall scheme at an estimated cost of $3.4m or;
- Development of an extensive stopbank and flood wall scheme at an estimated cost of $10.2m.[49]

[48]There was no clear pathway forward identified through this consultation.

[49] These were preliminary estimates based on limited pricing information, without contingency factored in. Construction price index and the inflation occurring since these costs were first estimated has caused these base costs to increase, along with more rigorous modelling and engineering analysis.

The majority (71%) of those who submitted on the draft LTP supported the $10.2m choice.[50] This decision was subject to further investigation of adverse effects.

Following the floods in July 2021, the Minister and senior officials from DIA requested us to consider the following aspects of the structural (or protect) elements:

- Contributions that may be made by WCRC and BDC.
- Scale and nature of Central Government support.
- Robust costing processes.
- Effects of climate change.
- Value-for-money.
- Steps / stages for moving forward.

With these matters in mind, a Technical Advisory Group (TAG) was established by WCRC (December 2021). The role of the TAG was to satisfy the matters raised by the Minister / DIA and identify preferred flood risk mitigation structural and nature-based options.

Seven options (and permutations of these options) were considered by the TAG. The TAG also considered the influence of climate change scenarios on the options.

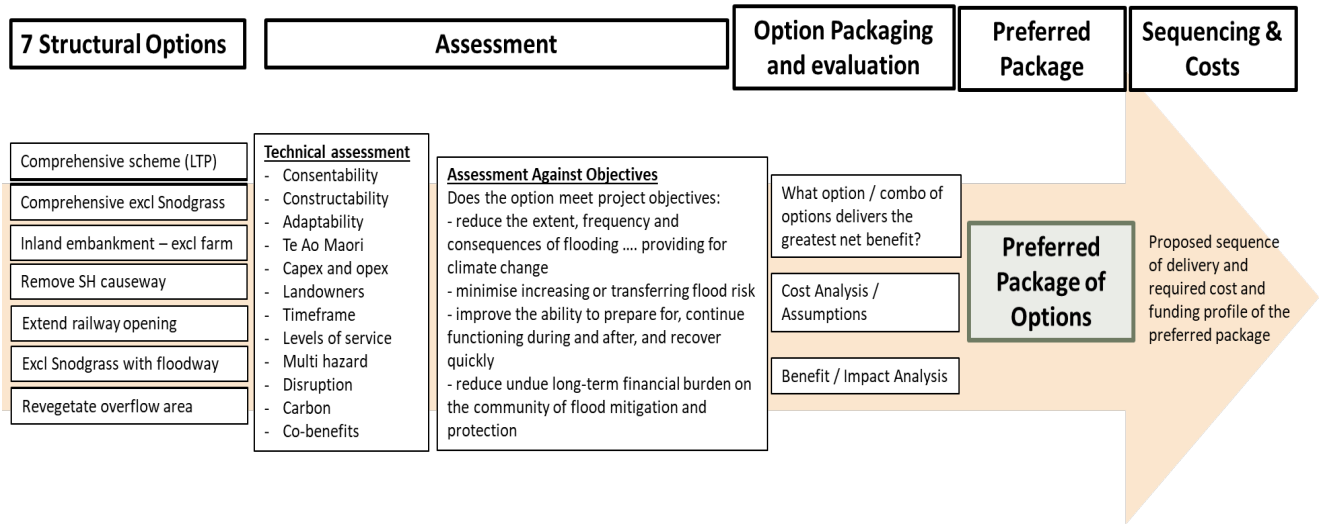
The work of the TAG was informed by the external advice identified under the *Process Overview* section of this report (p30). This advice was augmented by further detailed modelling carried out by Land River Sea Consulting Ltd[51], and flood risk mitigation, design and costing advice provided by G & E Williams Consultants. This work was indispensable, and Matthew Gardner and Gary Williams are to be commended for the quality and integrity of the advice they have provided through this process.

The TAG was also influenced by the reports from NIWA and Infometrics which described the damage likely to be caused and the cost of avoiding that damage – as the basis for determining the likely benefit of proposed flood risk mitigation scheme options.

In order to meet its objective, the TAG followed the process outlined in Figure 14.

[50] This percent is based on submissions from within the Westport Rating District.
[51] This modelling covered the effects of different flood frequency / magnitude scenarios and the flow management opportunities arising from more than seven different flood risk mitigation options. The modelling also considered the effects of a full range of future climate change scenarios.

Figure 14 - Process applied by the TAG



The TAG brought together the findings of all this work, together with other technical assessment criteria, as well as the objectives and critical success factors defined by the Steering Group. This enabled TAG to recommend a preferred package of structural and nature-based measures (as outlined shortly) to mitigate the effects of Westport flood risks. The TAG's recommendations were then considered by the Westport Rating District Joint Committee, the Buller Recovery Steering Group, WCRC and BDC.

Options

The seven core structural options, and permutations of these options, were as below:

OPTION 1 — Comprehensive scheme (as described in the WCRC 2021-31 LTP, $10.2m scheme)

Extensive ring-bank[52], including Carters Beach and the Snodgrass area.

OPTION 2 — Comprehensive scheme – but excluding the Snodgrass area

Extensive ring-bank, including Carters Beach, but excluding the Snodgrass area.

OPTION 3 — Inland Embankment - excluding southern farmland

Reduced area of ring-bank by excluding the southern area of farmland but including the Carters Beach and Snodgrass area.

[52] Ring-bank means the entire ring of protection around Westport. Embankment refers to an individual earthen component of the overall scheme. Walls refers to the proposed wood and earth structures (single and double) to be used mostly in the urban parts of Westport. Together all structural elements are referred to as the Westport Flood Risk Mitigation Scheme. NB we prefer to not use the term 'protect' because it creates a false sense of absolute security from flood risks.

OPTION 3A – Further shortening the inland length of ring-bank around Westport

Further limit to the length of the inland extent of the ring-bank around Westport so that it more closely abuts existing urban areas.

OPTION 4 — Remove State Highway causeway

Extensive ring-bank, including Carters Beach and Snodgrass area, with removal of the State Highway causeway, near the bridge crossing of the Orowaiti Estuary.

OPTION 5 — Extend Railway opening

Extensive ring-bank, including Carters Beach and Snodgrass area, with an extended opening (100 m) in the Railway embankment at Stephen Rd.

OPTION 6 — Exclude Snodgrass with floodway

Extensive ring-bank, including Carters Beach, excluding the Snodgrass area but including a Snodgrass floodway.

OPTION 7 — Revegetate overflow area near Organs Island

Extensive ring-bank, including Carters Beach and the Snodgrass area, with revegetation of the Organ's Island overflow area.

Figure 15 – Temporary stopbank at Snodgrass Road

Modelling

The above options were modelled for the estimated 20, 50 and 100-year flood flows, based on the historical record of the height and extent of the effect of these flows. They were also modelled for the estimated flows and sea level changes expected for the climate change scenarios of RCP6 and RCP8.5. In addition, this modelling took account of the different flood risks posed by the Buller / Orowaiti rivers and the effects of embankment alignment and revegetation changes on the flood flow split (the 'hydraulic effect') between the Buller main channel and the Orowaiti overflow.

Technical assessment

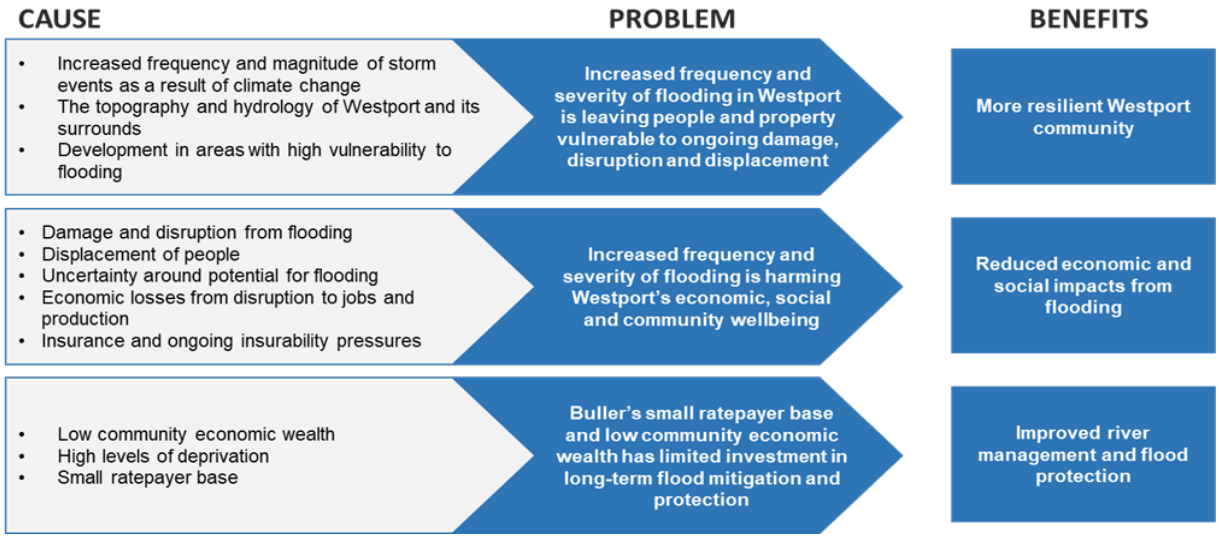
Each option was modelled extensively, and then tested against a set of technical assessment criteria.[53] This assessment was assisted by two site visits, numerous TAG meetings, and the consideration of the expert input reports. The core technical assessment criteria considered included:

- **Consent-ability**: Environmental effects and the ability to obtain resource consents.
- **Constructability**: Design practicality and suitability for site specific conditions.
- **Adaptability**: Capacity for adjustment to cater for future changes to climate-change-induced flood frequency or magnitude.
- **Te Ao Māori**: Compatibility with te mana o te wai and Māori world view.
- **Landownership**: Property status and likely landowner willingness to accommodate.
- **Timeframe**: Staging and total length of time for construction.
- **Levels of service**: Magnitude and frequency of flood flow / sea level rise able to be mitigated.
- **Multi-hazard**: Capacity to address non-flood hazards such as liquefaction and earthquakes etc.
- **Disruption**: Degree to which construction and operation may disrupt usual functioning of economy and community.
- **Co-benefits**: Ability to provide additional community, amenity, and ecological gains.

Assessment Against Project Objectives

Following technical assessment, options were evaluated against the objectives of this proposal, the challenge to be resolved (Figure 16) and the critical success factors as determined by the Buller Recovery Steering Group:

Figure 16 - Challenge to be resolved (as defined by the Buller Recovery Steering Group)



[53] These technical assessment criteria were defined with the assistance of DIA.

The critical success factors that are essential for the successful delivery of this project include:

- **Strategic fit:** How well the option meets agreed objectives and service needs, how well the option aligns with WCRC and BDC strategies and plans and how well the proposals align with wider national and governmental objectives or directions.
- **Value for money:** How well the option maximises the return on investment (benefits over costs).
- **Capacity and capability to deliver:** How well the option matches the ability of agencies and service providers to deliver it and how well the option appeals to suppliers.
- **Affordability:** How well the option meets likely availability of funding and how well it matches other funding constraints.
- **Achievability:** How well the option is likely to be delivered in the current environment and how well the option matches the level of skills required for successful delivery.

Service levels

We have agreed the Westport flood risk protection scheme should have a service level[54] expectation sufficient to protect Westport from flows arising from flood events occurring up to a 100-year ARI / RCP6[55] future climate scenario.

The costs and benefits of applying just a 1:100 level 'historic climate regime' level of service to the lower Orowaiti part of the scheme were carefully considered. Our early thinking saw the benefits of applying this level of service to this part of the ring-bank to be:

- Less dangerous nature of flooding from the Orowaiti river and estuary compared to the Buller River.
- Reduced cost compared to the complete 'ring-bank' RCP6 flood mitigation option.
- A general desire to not extend flood mitigation structures into the estuary, and thereby associated reduced environmental impacts and reduced consent-ability challenges.[56]
- Comparatively constrained footprint available for construction at this location.
- Increased impacts on local amenity values due to an average height increase of the stopbanks / walls by 0.6m adjacent to the estuary.
- Availability of the longer-term option of upgrading the proposed structure to a higher standard if that is desired.

The decision to support the RCP6 level of service across the full length of the ring-bank was a 'line call'. Despite the additional cost of construction (an extra $1.5m), constructability challenges and despite the additional 0.6m+ height, the RCP6 *climate change aware* option is our preferred choice. In addition, a key benefit is the cost of avoided damages to Westport buildings. By applying the higher level of service at all locations, this will be close to $400m compared to $200m for the 1:100 historic regime level of protection.[57]

[54] 'Service level' means the flood mitigation expectations to be provided by the embankment structures.
[55] 'ARI': Annual Return Interval. 'RCP' – Representative Concentration Pathway' with RCP6 representing one potential 'middle of the range of probability' future scenarios for climate change (NB this scenario is based on an expectation of greenhouse gas concentrations increasing for a time and then stabilising).
[56] Advice to this effect was provided to the TAG by Landmark Lile Limited, Resource Management Consultancy, Nelson.
[57] NIWA Riskscape report, May 2022.

Preferred Option

In summary terms, our favoured Westport flood protection scheme is as follows:

1. Rock lining repair works for bank protection near O'Conor Home (two sections) and Organs Island.
2. A combination of concrete wall, single board walls and double earth filled walls, with the use of each being selected to best suit site specific circumstances.
3. Embankments and walls with alignment, heights, and other design parameters to reflect the results of modelling and hydrological effectiveness research carried out by Land River Sea Consulting Ltd, and design considerations put forward by G & E Williams Consultants.
4. Extension of the flood risk mitigation at Carters Beach to the east to include houses along Schadick Avenue and to provide additional flood risk resilience to additional houses and the critical lifeline utility services provided by the airport.[58]
5. Revegetation of a relic Buller River meander near Organs Island.

Details about our favoured Westport flood risk mitigation scheme follow.

Westport Ring-Bank Options

We initially considered three 'ring-bank'[59] wall and embankment options[60] for the inland area surrounding the urban part of Westport. The first ring-bank alignment was that as notified as part of the WCRC LTP. This is the yellow line on Figure 17. The second was shorter than the LTP option but still extended inland to encompass rural land (Option A).[61] The third option was closer to existing urban development (Option B on Figure 17). Options A and B provided the same level of service and had roughly the same hydraulic / flow management benefits.[62]

We reviewed the option discussed in the LTP reasonably early on and found that it was comparatively more expensive, and it diverted significant additional flow volume down the Orowaiti in a 100-year ARI / RCP6 event and therefore adversely impacted downstream landowners. It also provided protection to a relatively large area of farming as opposed to the desired focus on areas of urban development. For these reasons we did not proceed with the LTP option, which we also note, had not previously been subject to rigorous engineering analysis.

Options A and B have pros and cons:

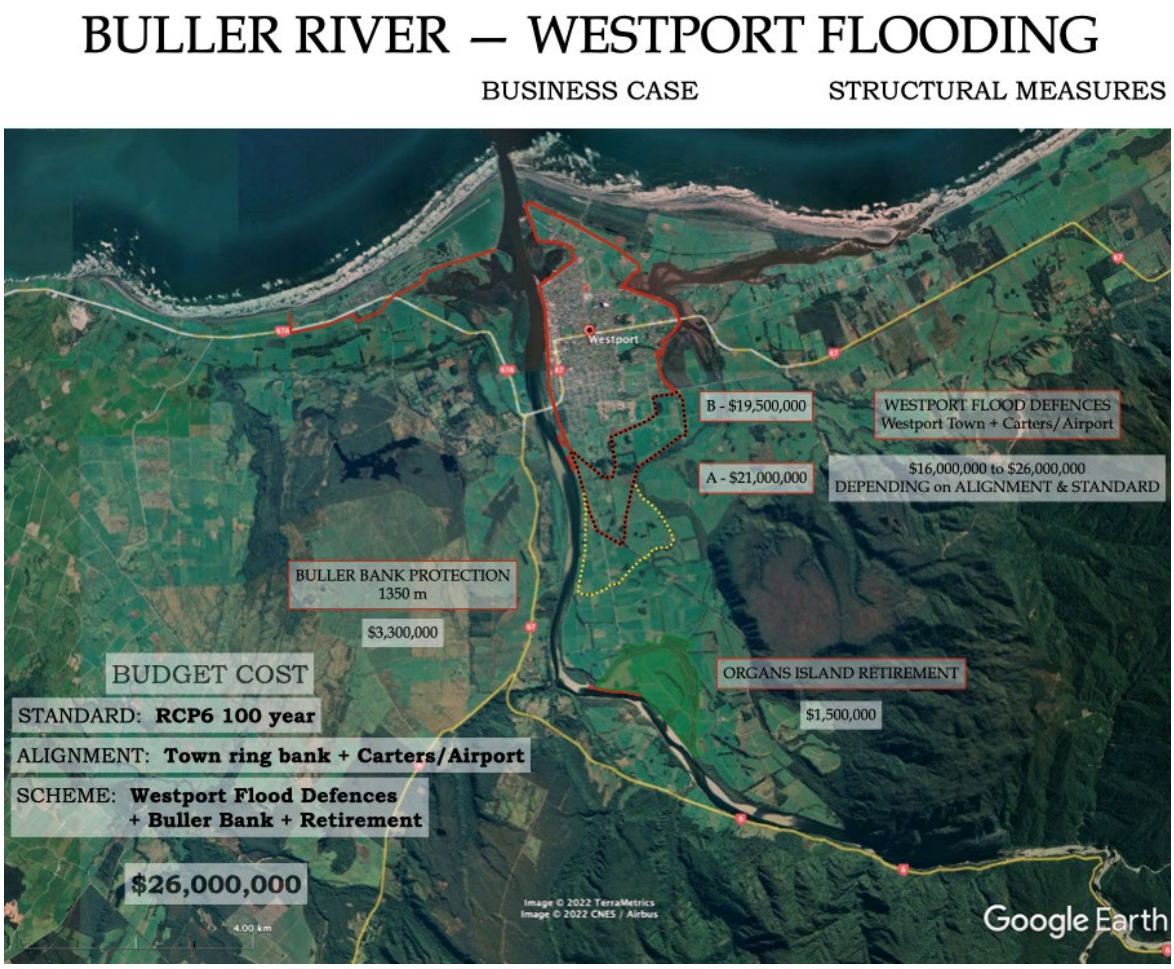
- **Cost differences** – Option B is $1.5m cheaper than Option A because it is about 1.5km shorter. It therefore has higher cost-benefits.
- **The number of road, stream and drain crossings** – Option B reduces the number of stormwater and other 'interface' structures required at their junction with the proposed embankment. It will also reduce the net volume of rural-sourced stormwater to be managed within the embankment structure.
- **Managing the extent of urban intensification within the protected area** – Option B provides a reduced area within which urban intensification could be incentivised'.[63]
- **Rural residential** – Option B provides flood risk mitigation to 15 fewer dwellings and implement sheds and four fewer landowners than Option A.

[58] The 244 properties at Carters Beach have a net capital value of about $81m (information supplied by J. Bell WCRC). The Carters Beach flood mitigation structures are estimated to cost $1.7m for the section immediately around the beach and $2.25m for the length extending past the Westport Airport (information supplied by G & E Williams Consulting Ltd – both at RCP6). This information suggests the cost benefit of investment at this location is attractive.
[59] Ring-bank is a generic term used to describe the structure proposed for around the town of Westport.
[60] Both options will provide the same service level.
[61] This is referred to as option B in Figure 16.
[62] Not as much work was undertaken on the alignment and on the hydraulic characteristics of Option B compared to the other two options.
[63] Having a flood protection structure may create a possible 'misplaced sense of protection' from flood risks.

- **Affected landowners** - Option B may cause minor raised floodwater levels above floor levels for some upstream rural landowners.

While both options A and B are live, and require further analysis, in our view option B is marginally cheaper and better aligned with the overall intent of this proposal. It also aligns with the aspirations recorded in the following sections of our Business Case, where intensification within the ring embankment is discouraged. We therefore recommend proceeding with Option B.

Figure 17 - Showing LTP alignment, Option A and preferred Option B alignment



Buller Riverbank erosion protection

The main risk of breach of the Westport and Carters Beach ring-banks would likely be lateral erosion of the riverbanks by floodwaters in the Buller River channel. While Carters is less at risk, as it is behind the large wetland and subject to less erosion pressure, managing the Buller River is, in the long-term, the most challenging flood risk task we face. Re-instating / strengthening this protection is the most critical / urgent part of Westport's flood risk mitigation at the moment.

We estimated the cost of bank protection work to fix the breaching and displacement of rock in the bank lining at Organs Island during the July 2021 flood event, to be $1.7m. Bank erosion work at O'Conor Home will cost $0.92m. A second stage of additional work at O'Conor Home will cost a further $0.68m for a total of $3.3m to bring the protection back to a pre-flood level.

The extent of the above-mentioned works is known – it is future bank protection repair works that are more uncertain. We know there may be other old bank rock protection works that are covered by vegetation. These could fail in future flood events. Protection at these sites will be required if the current Buller River alignment is to be maintained. If this protection does not occur there is a risk that lateral bank erosion would undermine the Westport ring-bank.

Importantly, a longer-term Buller Riverbank protection renewal programme is now required. The initial assessment of our experts is that this would cost at least $300,000 per annum. For a ten-year period, this would be $3.0m. Our request to Central Government is that all the costs of the next ten years of Buller Riverbank protection – including the $3.3m of immediate works, be met by Central Government for a total of $6.3m.[64]

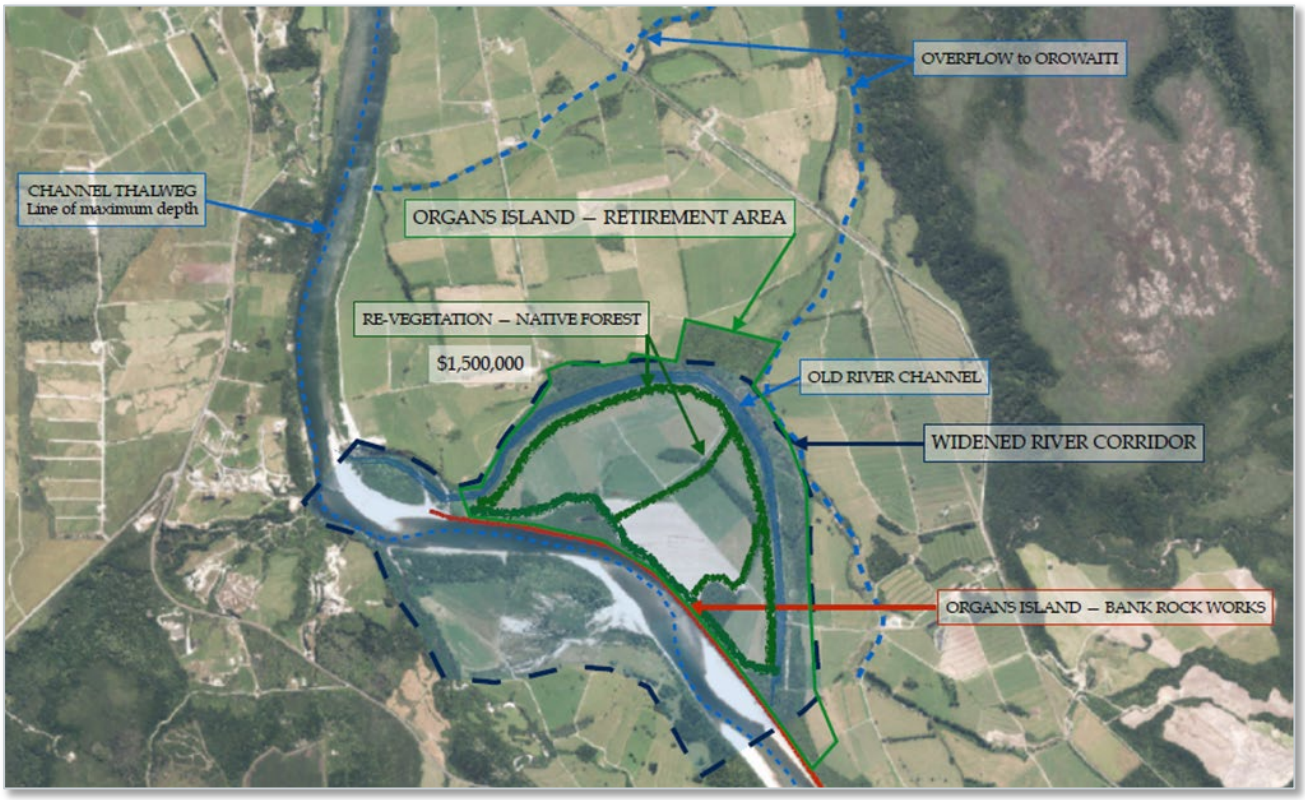
Revegetation of a relic Buller River meander near Organs Island

The area of land on the true right of the Buller River near Organs Island includes a 'relic' channel of the Buller River.[65] We propose this area be revegetated as a wide area of indigenous riparian forest.[66] This would be established over three phases of five years each (Figure 18). When revegetated, this area would provide flood protection by acting as a filter and moderator of flood overflows down the Orowaiti River.

An important river management benefit of this proposal is that, as this vegetation is established, the hard control of the Buller River rock lining could be relaxed. The river would be given more space to move in a natural way, prior to its entry into the sharp bend downstream at the valley-side bluff. This revegetation will also generate co-benefits for indigenous flora and fauna and carbon sequestration.

[64] We address the cost of maintaining the Westport ring-bank and Carter's Beach embankment later in this report.
[65] This land is currently administered by LINZ and leased for grazing. The lease comes up for renewal in June 2022. WCRC is liaising with LINZ. This is a relic Buller River Meander area.
[66] See Figure 14 in the attachment prepared by G & E Williams Consulting Ltd.

Figure 18 - Revegetation at Organs Island



Re-alignment of Abattoir Creek

The current alignment and grade of Abattoir Creek contributes to the unwanted re-direction of flood and storm water flows toward urban areas of Westport. We propose to re-grade the bed of Abattoir Creek to enable more flow to be diverted away from this 'at risk' area of urban development.

Flood risk mitigation options not favoured

Details about the risk mitigation options not favoured by the TAG – and the reasons why these were not favoured, are provided in Appendix five. These not favoured options included:

- Dredging of the Buller River.
- Direct cut to the sea from the Orowaiti estuary.
- Flood risk mitigation structures at the Snodgrass peninsula.
- Excavating a causeway on the Snodgrass peninsula.
- Constructing culverts at the railway embankment at Stephen Road.
- Constructing culverts on the embankment adjacent to the Orowaiti State Highway Bridge

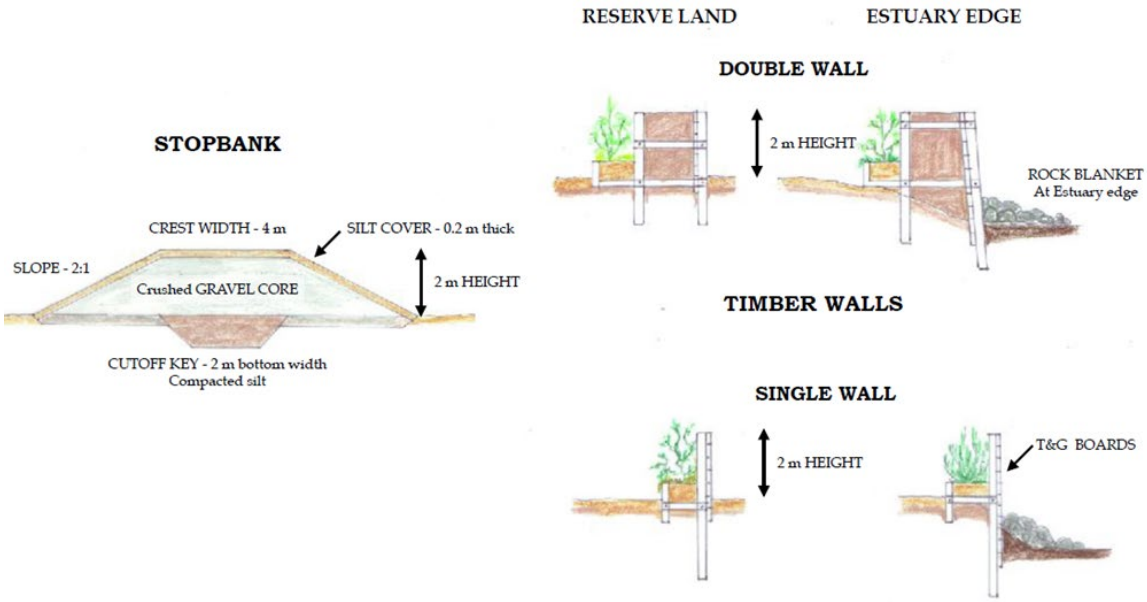
Design, construction. and maintenance

We commissioned a report[67] covering general concept designs for the Westport flood risk mitigation embankment and wall construction. The sketches below (Figure 19) show the likely appearance and proposed location (Figure 20) of the concrete, single board-wall, and double earth-filled walls. Additional information about the constructability of the proposed scheme, its physical and carbon footprint,

[67] G & E Williams Consulting Ltd

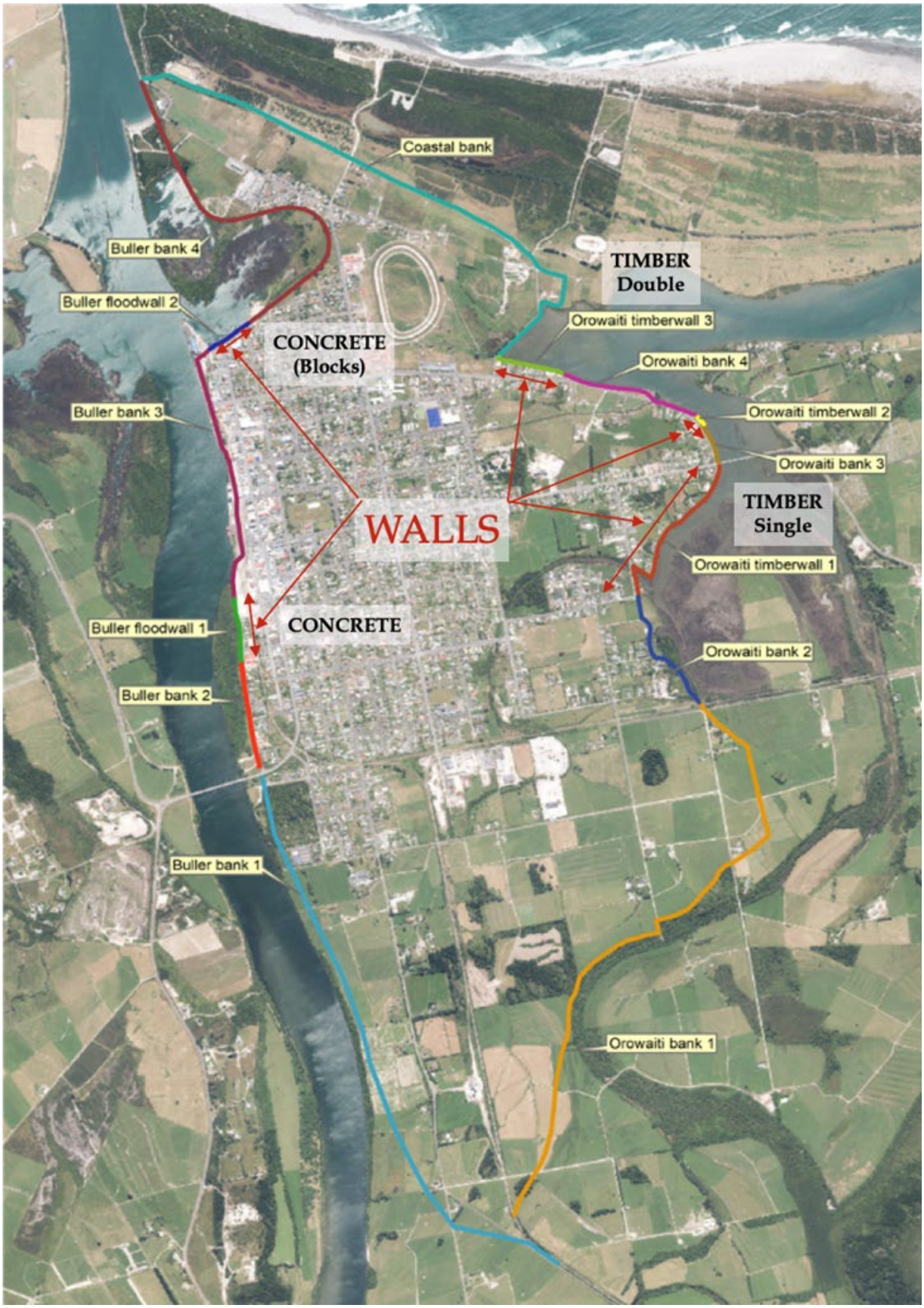
maintenance, structural failure implications, and the adaptability of the proposed structures[68], were also addressed in the report.

Figure 19 - Design of preferred embankment structures



[68] To accommodate more resilience against future climate change scenarios

Figure 20 - Location of different structural options (NB this alignment is for Option A)



Resource consent, environment, and property

Resource consents and environment effects

We sought advice from the TTPP office, the TAG and external experts[69] about resource consent and environmental matters. Key issues and potential mitigations identified within this advice included:

- Under the current Buller District Plan the scheme would be a permitted activity.
- Under the WCRC's Regional Land and Water Plan, earthworks and vegetation removal in the riparian area is a restricted discretionary activity. In other areas, earthworks are a controlled activity. With appropriate offsets and careful management, consent should be grantable.
- Under the Regional Coastal Plan, any activity falling within the Coastal Marine Area is a discretionary activity. In all but two small areas, the proposed embankment is likely to avoid the Coastal Marine Area. The toe of the proposed embankment provides an opportunity to plant reeds and other vegetation suited to extending the area available for inanga spawning.
- An area defined as a 'regionally significant wetland' is located near the proposed embankment at Carters Beach. Activities within 100 metres of this wetland are non-complying. Refined alignment of the embankment at this location will reduce the effect and risk of encroaching on this protected wetland.
- Several properties on the true left bank of the Buller River may be 'affected' by flood level increases because of the embankment. These 'effects' require consideration of the length and height of the Buller River embankment located on the true right of the Buller River, as a discretionary activity. The agreement of affected property owners at this location will need to be sought – with appropriate amelioration before works are undertaken.
- Some minor earthwork areas may have contaminated soil. Careful site management should be applied at these locations.

In summary, the advice provided to us on resource consent and environmental matters suggests that, with careful site management practices, additional design refinements and strong consultative processes, there is a low risk of our preferred proposal not receiving resource consent.

In addition to the above resource consent matters we note:

- Preliminary discussions have taken place with Waka Kotahi about the effects of the embankment on peak flood flows on State Highway bridges. As part of their future asset management planning, we have encouraged Waka Kotahi to give a higher priority to the works required to increase the clearance height at the Buller River State Highway bridge.
- Embankment design and construction between the Toki and State Highway bridges will need to be integrated with the design and construction of the proposed enhancements to the Westport cycleway. Similarly, further discussions will be required with Westport Harbour operators and users to ensure the embankment is well integrated into other proposals for this area.
- As noted elsewhere in this report, amenity considerations have been considered as part of the process of selecting the alignment, height, and construction (concrete, single wall, or double wall) of the proposed embankment. At some locations, it is intended to include viewing platforms and other measures to enhance appreciation of the Orowaiti Estuary and Buller River.
- Protection of the lifeline utility value of the airport is a consideration for the extension of the Carters embankment to the Buller River. There is a proposal at some stage to relocate the airport to higher ground. The airport is jointly owned by the BDC and the Ministry of Transport. When detailed planning occurs, we will be aligning the investment in the Carters embankment with the plans for the airport.

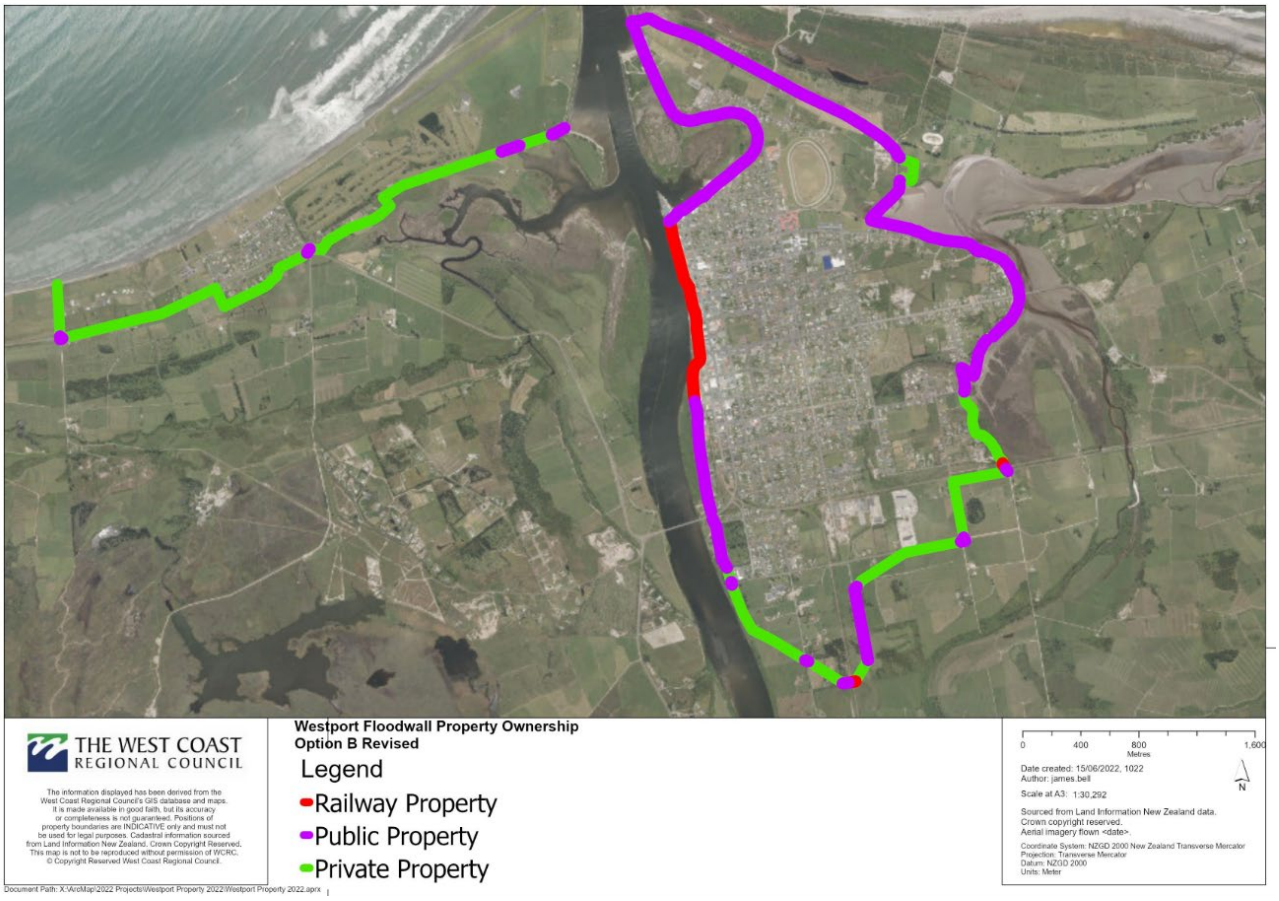
[69] Landmark Lile Ltd

Property

The total length of the proposed Westport flood risk mitigation embankment and walls (Option B) is approximately 18 km. Around 50% of this is on public / reserve land, 44% is on private property and 6% is on KiwiRail property (Figure 21).

Most of the private property length of the embankment traverses six farms. In addition, up to 12 lifestyle blocks may be affected. The relatively small remaining length of the embankment will affect 7 properties which are primarily used for residential purposes. A further 15-20 properties will have the embankment or walls on reserve land adjacent to their properties.

Figure 21 - Location and ownership of affected properties



We acknowledge the agreement of all parties affected by the proposed structures will be required before construction can commence. This agreement will need to be formally recorded for resource consent, asset management, occupation, and access purposes.

The consultation challenge we currently face, is that the flood risk mitigation scheme can only be viewed as a proposal. This status will prevail until such time as funding is secured. Westport flood risk mitigation options will then move from a scheme proposal to become a scheme project. An active consultation process will be undertaken with both directly and indirectly affected parties as soon as the project and its funding are confirmed.

The significance of the project is such that the special consultative procedures defined in the Local Government Act 2002 will be triggered. This requires formal processes to be applied by the WCRC before

the project proper commences. In the shorter term, we intend to provide appropriate information to both the community and directly and indirectly affected property owners. This will include those located at Snodgrass, those located immediately inland of the Westport ring-bank and those affected parties located on the true left of the Buller River.

Estimated costs

Overview of scheme costs

Table 2 displays the cost of the various ring-bank scheme sections and the reafforestation proposal. Of importance, we note:

- The uncertainty currently troubling all capital works and supply chains in New Zealand, and for Local Government especially.
- Costs have been estimated on a contract schedule basis, with a preliminary estimate of unit costs and volumes, not as an engineer's estimate for tendering purposes.
- Costs include a percentage for engineering fees.
- Consent and other approval costs are not included.
- Costs for the Buller River rock works are based on a final design with a 10% contingencies allowance.

Operational costs

Provision will need to be made for the cost of interest and maintenance of the flood risk mitigation structures. Excluding interest, these add between 1% to 3% per annum to the final cost of the structures.[70] Based on expert advice, we are recommending provision be made for $350,000 per annum for the maintenance of the ring-banks at Westport and Carters Beach.[71]

Government co-investment to the tune of 75% is requested to assist Westport ratepayers to meet these costs. This would amount to $262,500 pa. This is too big a cost burden for Westport ratepayers to meet given their deprivation status. We request Central Government provide for the first ten years of this expense ($2.62m).[72]

Process costs and contingency

Preliminary work has been undertaken to estimate the cost of community engagement, acquire resource consents, negotiate property agreements, and put in place WCRC and BDC project management. These costs may total $1m. A further $1m should be allowed as a contingency against unforeseen costs.

Stormwater

The cost summary below includes $0.5m for the cost of the use of flap-gates and improved culverts, to better control the interface between the proposed flood risk mitigation scheme and stormwater culverts and pipes.[73]

[70] Less maintenance expenditure will be required early in the life of the proposed structures. More expenditure will be required as they age.
[71] As noted earlier in our report, an additional $300,000 pa will be needed for operational expenditure to maintain Buller riverbank protection.
[72] We believe this is a preferable approach to waiting for the structures to deteriorate during a flood event and then claiming for 'recovery' expenses from NEMA at the current 60:40 rate.
[73] We provide additional information about other stormwater / groundwater concerns later in our report.

Total cost of 'protect.'

The total cost of the 'protect' elements of flood risk mitigation is estimated to be approximately $31m (Table 2).

Table 2 - Total cost of protection

SCHEME COMPONENTS	COST	CENTRAL GOVERNMENT CO-INVESTMENT
Westport ring-bank, Carters Beach, and Organs Island reafforestation Option B (urban area inland alignment)	$18,050,000	$13,537,500
Organs Island reafforestation (3 x five years @ $500,000)	$1,500,000	$1,125,000
Immediate works on the Buller Riverbank	$3,300,000	$3,300,000
Operational expenditure over ten years on Buller Riverbank	$3,000,000	$3,000,000
Operational expenditure over ten years on Westport ring-bank and Carter's Beach	$3,300,000	$2,600,000
Resource consents, owner agreement, Council project management, final design etc.	$1,000,000	$750,000
Contingency	$1,000,000	$750,000
Total cost @ Option B	**$31,150,000**	**$25,062,500**

Cost benefit

NIWA Analysis

WCRC commissioned NIWA to apply the RiskScape model to analyse the direct damage of flooding effects on Westport arising from several climate change and flood magnitude scenarios.[74] NIWA's report concludes that under an ARI100 / RCP6 flooding scenario[75] approximately $400m[76] of damages is estimated to occur to Westport buildings (the cost of the July 2021 flooding was estimated at $88m). The work of NIWA thereby confirms significant cost benefits will arise from the investment of $31m in the proposed Westport flood risk mitigation scheme.

Table 3 - Cost benefit

Model Scenario	Buildings: Sum of Building $Loss ($NZ)	Roads: Sum of Exposure Costs ($NZ)	Rails: Sum of Exposure Costs ($NZ)	Scenario Total ($NZ)	Description of Flood Hazard Model Scenario
Base_ARI100_RCP6 (status quo)	404,927,949	$77,426,220	113,254,863	**$595,609,033**	Future Climate, 100-year ARI event (RCP6 2100) - no protection
OpB_ARI100_RCP6 (preferred option)	$15,490,025	$66,665,094	$26,956,520	**$109,111,640**	Future Climate, 100-year ARI event (RCP6 2100) assuming full

[74] 'Direct Damage Analysis for Scenario Flooding in Westport', NIWA, May 2022
[75] This is the scenario recommended and used by TAG to guide the design of its preferred flood risk mitigation scheme
[76] These damage curves are generic, and the damage estimates can be refined upon detailed design

protection to this level of standard

Infometrics Analysis

The work undertaken by NIWA was further confirmed in a report prepared for WCRC by Infometrics.[77] Infometrics applied a slightly different approach, but their results were similar to those generated by NIWA. With no flood risk mitigation structures, Infometrics calculate damages of $264m if an ARI 100 flood was to occur in 2022. If an RCP6 climate change scenario is applied, then these damages would be $488m by 2072 and $596m in 100 years' time (Figure 22).

Figure 22 Residual loss with no flood risk mitigation protection

ARI	AEP	2022	2072	2122
		$m	$m	$m
20	0.0488	**50**	74	84
50	0.0198	**106**	231	286
100	0.0010	**264**	488	**596**
200	0.0005	462	615	682

The Infometrics report concludes by stating…

> … *(p4) the analysis in this report, although based on rather patchy data, clearly shows that (the) stopbank option recommended by the Technical Advisory Group…is highly cost effective…(p15)… the case for pursuing (this option)…could not be clearer.*

Precedent

In the past, Central Government has applied a generous approach toward co-investing in flood risk mitigation at locations such as Westport:

- The 55 'Shovel Ready' flood risk mitigation projects funded[78] in 2021 by Central Government, as part of their Covid recovery programme, received a cost share of between 60% (for comparatively wealthy regions) and 75% (for less wealthy regions).
- The financial assistance rate (FAR) provided to BDC by Waka Kotahi for road projects is 72%.
- Prior to the early 1990s, the capital cost of substantial river management and flood protection schemes put in place by Catchment Boards was commonly supported at levels of 50% to 75% by Central Government.[79] [80] [81]
- The Te Uru Kahika[82] report calls for co-investment of up to 75% toward the cost of whole of catchment climate change adaptation approaches.

These precedents suggest there is more than adequate grounds for WCRC and BDC to seek a 25:75% co-investment with Central Government (75% from Central Government) to improve the resilience of the Westport community against flood risks. Normally, when the cost of mitigation or recovery exceeds the ability of a community to manage, Central Government provide assistance. Matata and Christchurch are examples of where this has occurred to varying degrees.

[77] 'Real Options Analysis of Strategies to Manage Risks to Westport from Climate Change', Infometrics, May 2022
[78] A total of $217m of funding was provided toward 55 projects with a total cost of $313m.
[79] The higher level was applied to less wealthy regions.
[80] The difficult financial period in the 1980's dealt a blow to this necessary investment.
[81] A review of documents from the time suggests this national support typically amounted to over $114m per annum in today's dollars.
[82] Central Government Co-Investment in Flood Protection Schemes', Te Uru Kahika, January 2022

Summary

Our favoured Westport flood risk mitigation scheme strongly satisfies the assessment criteria described previously. When all likely costs are factored in, the approximate cost of our preferred scheme is $31m. Given the affordability challenge faced by Westport residents, the local ratepayer contribution towards this *protect* part of the challenge will be around $6m

Table 4 - Satisfying the assessment criteria

ASSESSMENT CRITERIA	HOW THE SCHEME WILL SATISFY THE ASSESSMENT CRITERIA
Reduce extent and frequency of flooding	Flood risks associated with storms with a RCP6 / 1:100 magnitude and frequency will be strongly mitigated
Reduce long term burden on the Westport community	The anxiety and uncertainty currently felt by the residents of most of Westport toward flood risk will be significantly reduced. Furthermore, financial stress will be mitigated, relieving long term monetary concerns
Sensitivity to Te Ao Māori	Scheme reflects a balanced approach toward Te Ao Māori
Integrated package	'Protect' is a strong component but just one of the four PARA elements reflected in the multi-tool approach proposed for contributing to Westport's resilience against flood risks. Nature-based solutions are an integrated part of the scheme
Consider options	Seven base options – with permutations and four climate change scenarios were considered
Cost share / co-investment / affordability	A 75% share from Central Government reflects the comparatively high level of deprivation experienced in the Westport community
Robust costing process	Well proven costing practices have been applied
Value for money / cost benefit	Two independent assessments have confirmed the overwhelming cost benefit of the proposal
Staging / phases / timeframe for construction	Works to protect the Buller Riverbank from further erosion are required immediately. Consultation, resource consent and project management matters for the ring-bank portion of the scheme will take 8-10 months. Construction will proceed in stages over a three-year period
Providing for climate change	Historic and RCP 4.5, 6.0 and 8.5 climate change scenarios have been applied to scheme option and cost assessment
Providing for Westport's hazard scape	Coastal erosion / accretion, tectonic movement and liquefaction have been considered as part of scheme design
Avoid transferring risk elsewhere	Flood protection structures have not been supported at the Snodgrass area primarily because of the effect they would have on the increased height of flood water for a distance of up to 6kms.
Consent-ability	There is a high likelihood of all parts of the scheme receiving consent
Environmental impacts	Sensitive wetlands and the coastal marine area will be avoided in all but minor ways
Constructability / capacity / capability / achievability	Scheme design reflects the availability of local construction skills and materials. WCRC systems provide for reliable asset management
Impacts on landowners	Scheme design and community benefits are such that no out-of-the-ordinary problems are expected in securing landowner endorsement / consent

Construction disruption	Some disruption is expected but no more than would be usual for a construction project of this type
Co-benefits	Amenity and ecological benefits will accrue. Certainty about the future resilience of the Westport community and economy is a significant benefit

The Ask

In this section we are asking for…

COMPONENTS	COST	CENTRAL GOVERNMENT CO-INVESTMENT
Structural and nature-based works	$31m	$25m

Avoid

Ensure new development of property and vulnerable assets are not exposed to the hazard

Avoid

Westport cannot be fully protected. The proposed Westport flood risk mitigation scheme will not provide complete protection on its own. We are therefore keen that residents understand and continue to prepare for future vulnerabilities and risks. As mentioned earlier, New Orleans provides us with some salutary lessons (Figure 23). Before Hurricane Katrina in 2005, the presence of an embankment, pumping systems and the availability of federal insurance led to New Orleans households and businesses being constructed in flood prone areas. Inevitably lower income people were living in the low-elevation areas at the greater risk of flooding and subsidence. Citizens earned on average, 30% less than the US median household income.

Hurricane Katrina killed 1,200 people and cost around US$106bn. It was acknowledged that in some parts of the city, embankments (levees) and walls were not tall enough to hold back the water; some floodgates did not close properly, and some structures collapsed entirely. Since then, the New Orleans flood-protection system was bolstered by expenditure of $15bn in federal funds, but in truth New Orleans has never fully recovered. Before Katrina, New Orleans provided the US with more oil and gas than was imported from Saudi Arabia. Thousands of Louisiana families who had relied on jobs in the oil and gas industry left for Houston. Post-Katrina, tourism is the main economic activity.

Figure 23 - New Orleans following Hurricane Katrina

For Westport, like New Orleans we know there is residual risk. Even with the ring embankment, we cannot guarantee there will not be flooding. Sooner or later there will be an 'overdesign' or extreme event. If the climate warms more quickly than expected, this will happen sooner. We think it would be a mistake to allow for uncontrolled intensification and development behind the embankments. We do not wish to place more people and property in harm's way, now or into the future. We want Westport to grow in areas that are outside the flood hazard zone.

We realise that this is a long-term goal. While it doesn't need to happen tomorrow, it does need to happen. It is not the right thing to do to do nothing. The longer we fail to act, the greater the risk. We do not wish to become New Zealand's New Orleans.

While this might seem sensible, in truth this is difficult to achieve under the current legislative settings.

The instrument for restricting development is the Buller District Plan prepared under the Resource Management Act. On the West Coast, the statutory obligations for preparing district and regional plans have been transferred from the three West Coast District Councils to the West Coast Regional Council. The statutory obligations are delegated to a joint committee comprising all four councils and local iwi, with an independent chair. Te Tai o Poutini Plan (TTPP) Committee is responsible for preparing and approving a combined District Plan covering the whole of the West Coast[83].

Westport's hazardscape has been the subject of discussion and consultation for many years. Westport 2100 was convened jointly between the WCRC and BDC following Cyclone Fehi in 2018. This led to a community development process (Westport 2100) ahead of the TTPP looking at the major hazards in Westport and how to develop a resilient community into the 22nd century.

There was range of recommendations from this process, including specific hazard related recommendations. Provisions for long term managed retreat were also made.

A special rating district was established in 2019, driving the decision in the WCRC's Long-term Plan to construct a ring embankment. Detailed modelling was undertaken to inform protection options and to identify areas exposed to severe flooding and areas that are susceptible to flooding in the Proposed Plan. The TTPP team has applied the hazard overlays to Westport and drafted re-zoning to reflect the risk, effectively 'downzoning' some high-risk areas (such as Snodgrass) from residential to rural (Figure 24).

[83] An Order in Council detailing the formal scheme came into force on 19 July 2019 and the West Coast Regional Council through the TTPP Joint Committee, is legally required to prepare Te Tai o Poutini Plan.

Figure 23 - Example of proposed rezoning in draft TTPP

This has proved to be a challenge. The ring embankment will reduce the risk for many parts of urban Westport, and the Proposed Plan should accommodate this, but this is difficult when the funding remains unsecured, and the final design is not yet settled. Furthermore, this cannot be progressed until there is certainty with funding.

Currently, it is assumed a response from the Government on this co-investment proposal will be available in about September. Hearings on the Proposed Plan are likely to be held in early 2023, so it is hoped that a government decision around the ring embankment will be available by then so that Councils can make submissions on the TTPP with certainty.

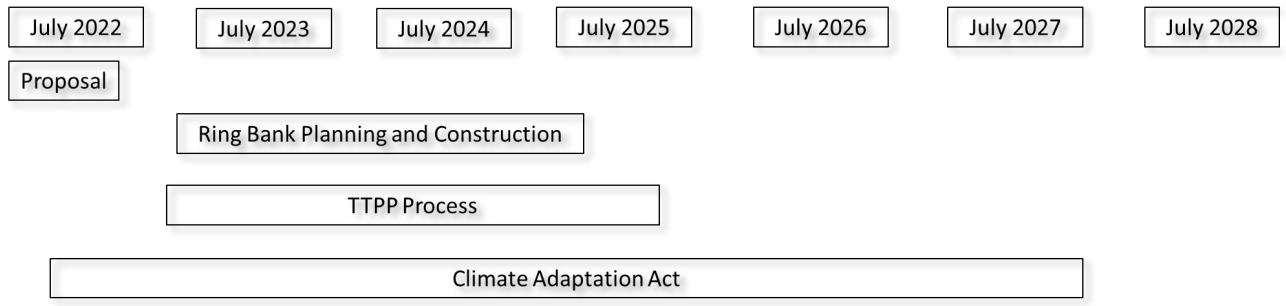
As it stands, under the Proposed Plan, it is proposed to limit subdivision and intensification in high-risk areas through planning provisions that:

- Permit new buildings and alterations where these are protected by an embankment designed around a 1% event (1:100) plus a 1m sea level rise.
- Where new buildings are not protected, they must have a finished floor level of 1% plus 1m sea level rise plus 500mm freeboard for residential, or 300mm for commercial. Unoccupied buildings (such as garages) would require 200mm.

While these rules are far from perfect, we think this is a sensible step to prevent uncontrolled intensification and subdivision, and inappropriate development.

In the meantime, we know that under existing legislation there is a strong likelihood of Environment Court Appeals on the TTPP hazard provisions, and it could take up to five years before the Plan becomes operative. People can submit on the draft and if unsuccessful they can litigate. This is expensive and time consuming for Councils that are already struggling.

Figure 24 – High level timeframes



Prior to those provisions becoming operative, we do not have the regulatory ability to prevent buildings being constructed and sold in flood zones. We cannot stop more people being put in harm's way. We are very keen that people are made aware of the risk when they come to live, work, and play in Westport. With a growth rate of 15% to the year to March 2022, there is a very real risk that many people and much property will end up being in harm's way.

We are very keen to educate people about this risk (see the *Avoid* section for our approach on this). Knowledge of flood risk must not be, in any way, withheld from owners and prospective owners. We think that Land Information Memoranda should explicitly link flood risk and mitigation to a property. But we think this needs regulatory backing.

Additional regulation is necessary to prevent a rush on applications for resource consent in flood prone areas. We are requesting a special order (or other fast track mechanism) to be enacted that allows appeals on the Westport hazard provision of the TTPP to be limited to points of law only. A similar initiative has been taken in the past in other regions for required plan rules. We are aware Section 86D of the RMA enables us to apply to the Environment Court for a rule giving legal effect to specified provisions from a specified date. Such applications are problematic.

The alternative is waiting until the Climate Change Adaptation Act is passed and to renotify the provisions after the Climate Change Adaption Act is passed. While the Bill is expected to be introduced by the end of 2023, there is naturally some uncertainty around the RMA reforms, and it is not yet clear if natural hazard provisions can or cannot be appealed under this legislation.

We are also frustrated with the Building Code and more specifically, finished floor levels. Clause E1.3.2 of the Code says *Surface water, resulting from an event having a 2% probability of occurring annually, shall not enter buildings*. This applies only to housing, communal residential and communal non-residential buildings. 2% does not help to protect the people of Westport. All our modelling and planning are based around 1%. We are seeking your assistance either to urgently amend the Code, or to otherwise give flexibility to apply an appropriate standard for the area concerned. This would be of enormous assistance for Westport, and possibly other settlements.

In essence we believe the current building code provisions are not adequate for the hazard in Westport and would like them to be able to apply an appropriate standard sooner rather than later.

We believe there is merit for some property owners assessing the feasibility of raising their houses to provide some freeboard. This is reasonably common in the United States, although there is debate as to whether this is the best use of public money. We think this would need to occur on a case-by-case basis (see Adaptation *Relief Fund*) under *Relocate/Retreat*.

Figure 25 House being raised in New Orleans

Finally in this section, we would like to bring a human element to bear. It is easy to overlook landowners who wish to subdivide or develop their land. These landowners are ordinary people who have aspirations, values and hardships and opportunities. In feedback on the draft TTPP, one submitter asked that financial hardship and mental anguish were taken into account. These dry discussions about planning rules and provisions can sometimes mask the impact they can have on people and their lives.

The Ask

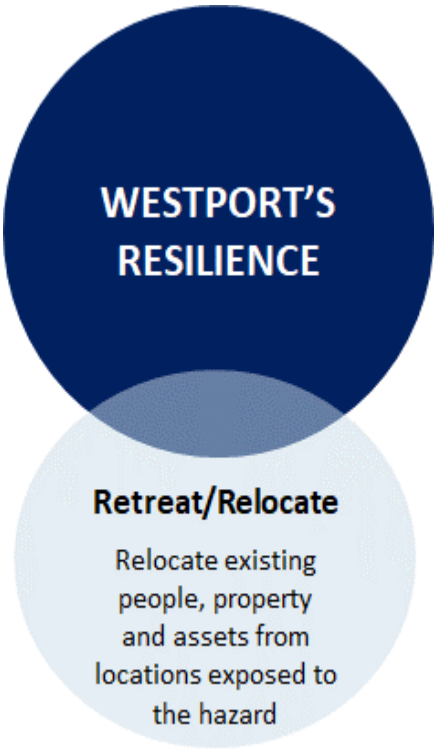
In this section we are asking for:

- An Order in Council or other fast-tracking mechanism for TTPP resilience provisions
- Ability for BDC in its role as a Building Consent Authority to align the Building Code provisions with sensible flood resilience within the TTPP

Retreat / Relocate

Relocate existing people, property and assets from locations exposed to the hazard

Retreat/Relocate

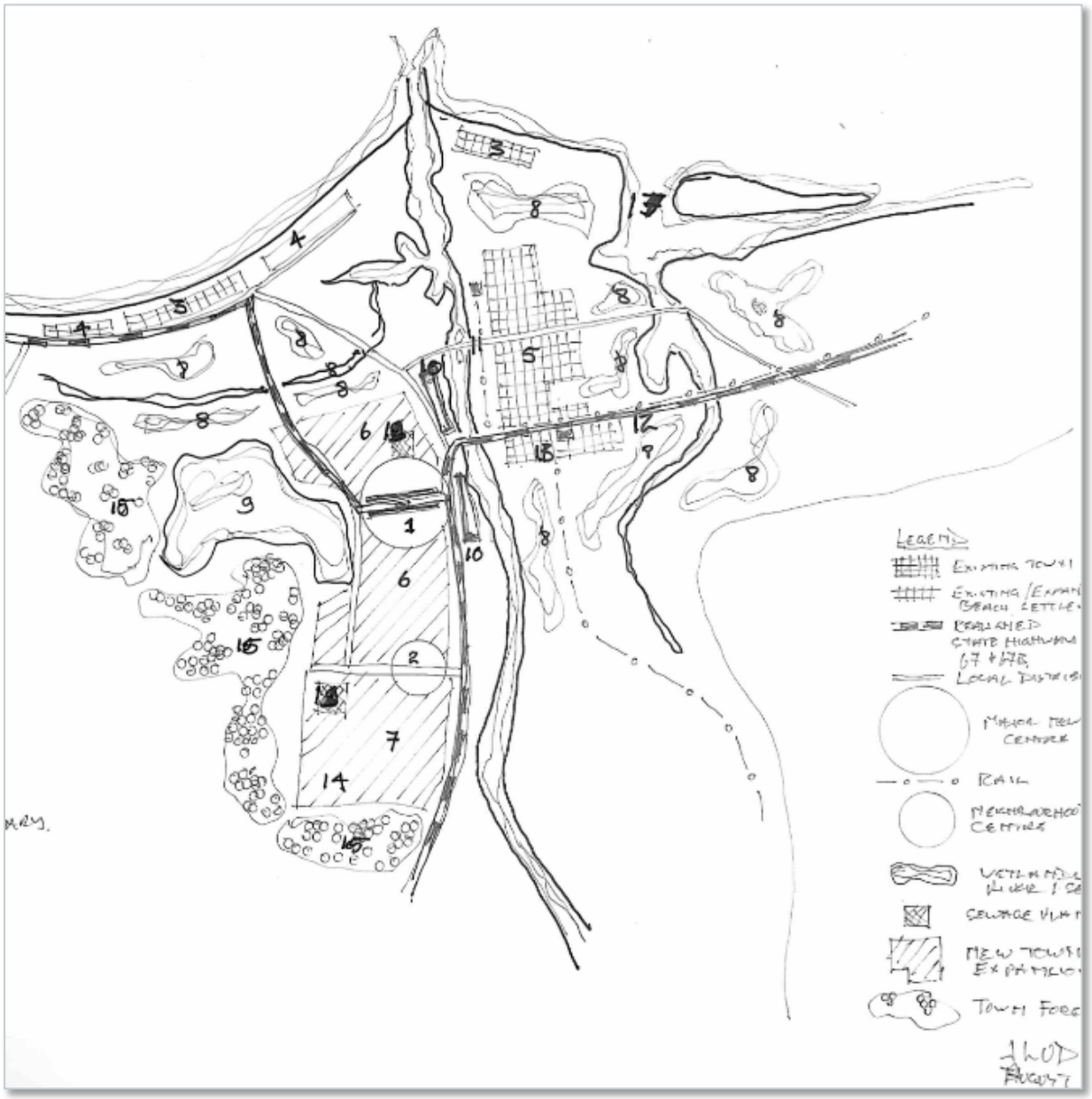


Managed retreat has long been the subject of speculation and unofficial analysis in Westport. It feels as though retreat is likely to happen at some unspecified time in the future. The draft National Adaptation Plan (NAP) outlines a proposal to develop legislation to support managed retreat over a three-year timeframe (2022–25). This will be an approach to *reduce or eliminate exposure to intolerable risk, which enables people to strategically relocate….* The problem for us is the risk in Westport is already unacceptable, and some in the community have already been forced to retreat from high-risk areas.

Westport is a real life, real time example for climate adaptation. All the ingredients are here. We have a burning platform of elevated flood risk. We have a town that needs to grow. We have land that could be available outside the hazard zone, and we have Councils that are willing to collaborate with Central Government, and to transition from forced retreat to *strategic* relocation based on future growth. Instead of focussing on the '*retreat'* we are keen to focus on the '*managed',* and to do this hand-in-hand with the community.

There is risk to this approach. Together we will be breaking comparatively new ground even though Edgecombe, the Christchurch red zone, rock fall areas in Christchurch and Kaikoura and Whakatane have faced similar challenges. There is always a chance that something might not work. With sound advice and analysis, we believe the risk of failure can be diminished and, if there is residual risk, we need to fail fast, learn, and share the lessons. Westport, in partnership with Government, can be used a model for the preferred strategy going forward.

Figure 26 - Unofficial blue skies thinking around relocating parts of Westport



Zoning

There are several areas of land outside the flood zones where Westport might grow in future. Alongside the Alma Road location other sites were looked at including the Sergeant's Hill area and Cape Foulwind. While these other locations were seen as being suitable for additional development, the Alma Road location was generally considered the best option for large scale managed retreat, due to its proximity to the existing town, the ease of servicing by infrastructure, the elevated location away from coastal hazards and its proximity to the main transport links.

Early in the TTPP development process, BDC staff and elected representatives identified that the Alma Road area was a preferred candidate for managed relocation. Some analysis on its suitability for this purpose was subsequently undertaken following the July 2021 storm. This was when locations for a temporary accommodation village were being investigated.

The temporary accommodation village is being established by MBIE's Temporary Accommodation Service (TAS). Funding for this initiative has been used to temporarily relocate some of the most vulnerable residents in Westport to an area that is not subject to flood risk. The intent of the village is to enable households to stay in their community and allow a more efficient repair programme to proceed. In the past, when TAS villages are no longer required, a community led review has been undertaken to consider repurposing as social or affordable housing.

Under the current TAS proposal, 20 newly constructed houses will be deployed on Council owned land to temporarily rehouse displaced residents. The general Alma Road location has been identified as suitable, and a consent for a temporary village has been lodged, and construction of supporting infrastructure to the site is underway. In addition, BDC currently has a $18m bid with the Infrastructure Acceleration Fund for continuing infrastructure past the village site, to enable further residential development in this area. We are keen to pursue this with vigour.

While the analysis referred to above was undertaken on the suitability of the Alma Road area for residential growth, as well as a *blue skies thinking* exercise and draft concept plans to ensure the area could accommodate growth prior to proceeding with the Infrastructure Acceleration Fund (IAF) application, there has been no formal development, spatial or structure plan developed for the area.

As an interim planning measure, and to seek community feedback on the proposal, a large part of the Alma Road terrace was identified in the draft TTPP as General Residential Zone. The intention is that details about the exact nature of the rezoned area be refined once more information on constraints and servicing capacity is available

It is planned that an area of approximately 80 ha will be rezoned in the TTPP to General Residential, with a small area of 2.4ha zoned as Commercial. The area that will be rezoned is shown below. Buffer zones have been identified to avoid reverse sensitivity issues with nearby industrial activities.

Figure 27 - Proposed Alma Road Development Area

BDC does not have the resources to draft a development plan – let alone a 'structure plan' for the Alma Road area. Nor does the Council have the resources to undertake the level of infrastructure planning necessary for a high quality, resilient and sustainable 'community-centred' development, broader than providing the basic infrastructure needed to enable the level of residential development already under consideration. This means that in reality, spatial planning is required to ensure development at Alma Road is strategically merged with the existing Westport township and areas within the Westport Flood Risk Mitigation Scheme.

We want a more 'integrated' approach to prevail. Our view is this is too good an opportunity to miss. Westport provides opportunities to become a model district within which to apply the provisions of the proposed Strategic Spatial Planning Act.

We are keen to discuss the resourcing required to achieve this objective with Government. We believe a relatively modest investment in a feasibility study around Alma Road (or other sites) could set the scene for Westport 2100. We think this would cost in the vicinity of $250,000. If we do not do this now, we will probably never do it.

Figure 28 - Earthworks for Temporary Accommodation Service at Alma Rd (photo courtesy Pam Johnston)

If the village is already viewed as sustainable for temporary accommodation, we are asking ourselves why it cannot be sustainable on a more permanent basis? Could we grow the village and its infrastructure for the benefit of the long-term resilience of Westport? Could we put infrastructure development on steroids. Could we incentivise relocation by making housing development at Alma Road more competitive than development within the current town? We think the answer to these questions is 'yes'.

Further, if previously vulnerable people can live in houses that are warm, safe, and dry, might this be an opportunity to build a more fulsome and resilient community in an area that will not flood?

Westport is going to grow in the coming decades. In our view, growth ought to be accommodated in areas like Alma Road and Sergeant's Hill. These are lower risk areas that avoid the hazard rather than trying to accommodate it. Alma Road already has significant costs sunk into it. It has been selected because of its location and geographic characteristics. It seems like an ideal opportunity to give effect to the government's intentions.

Strategic Land Purchase

Bearing this in mind, in our view one of the most sensible, proactive, and long-term actions available is for a public agency to strategically secure and repurpose additional land to enable Westport to grow in a lower-risk area. While the Alma Road terraces are an obvious candidate for this, there are other areas that should also be considered.

Realistically, this will be achieved through a Crown agency, or by iwi, unless the Crown provides funding for BDC to acquire land. This would align well with the NAP.

If the agency were to be Kāinga Ora, Alma Road could become a model for building community resilience through social cohesion and resilient public housing, with dwellings built well away from areas prone to climate hazards. Modern homes would be low maintenance, carbon sensitive, safe, warm and dry with commensurate health co-benefits. We think this is a wonderful opportunity, and indeed we have already spent time with Kainga Ora discussing workshopping what this might look like.

Infrastructure would also be resilient with pipes and pumps designed and specified to accommodate growth, to avoid flooding and to endure a seismic event such as AF8.

We propose that a business case be constructed in FY 22/23 by BDC, supported by Kāinga Ora and Kanoa, with a view to securing further land parcels in order to sustain a growth zone for Westport that is in a low-risk area.

We think this would cost $250k next year for detailed analysis, including a detailed spatial study, with a likely capital land purchase value of $3m-$5m, in out years. We do not recommend providing anything other than a provisional sum for infrastructure until the IAF funding decisions are finalised.

We propose to augment our request by setting aside some of our 'better off' funding from the Three Waters reform into a related area. In passing we note that currently we are considering improvements to our stormwater and sewerage separation, climate change preparedness and planning, airport relocation feasibility study and supporting development of the community resilience hub.

We are excited about the prospect of relocating parts of Westport, and we think that there could be merit in the Crown looking at other flood-prone towns with a view to Crown purchase of tracts of land that might be suitable for relocation. Westport's very real experience could be ideal intelligence to inform the NAP.

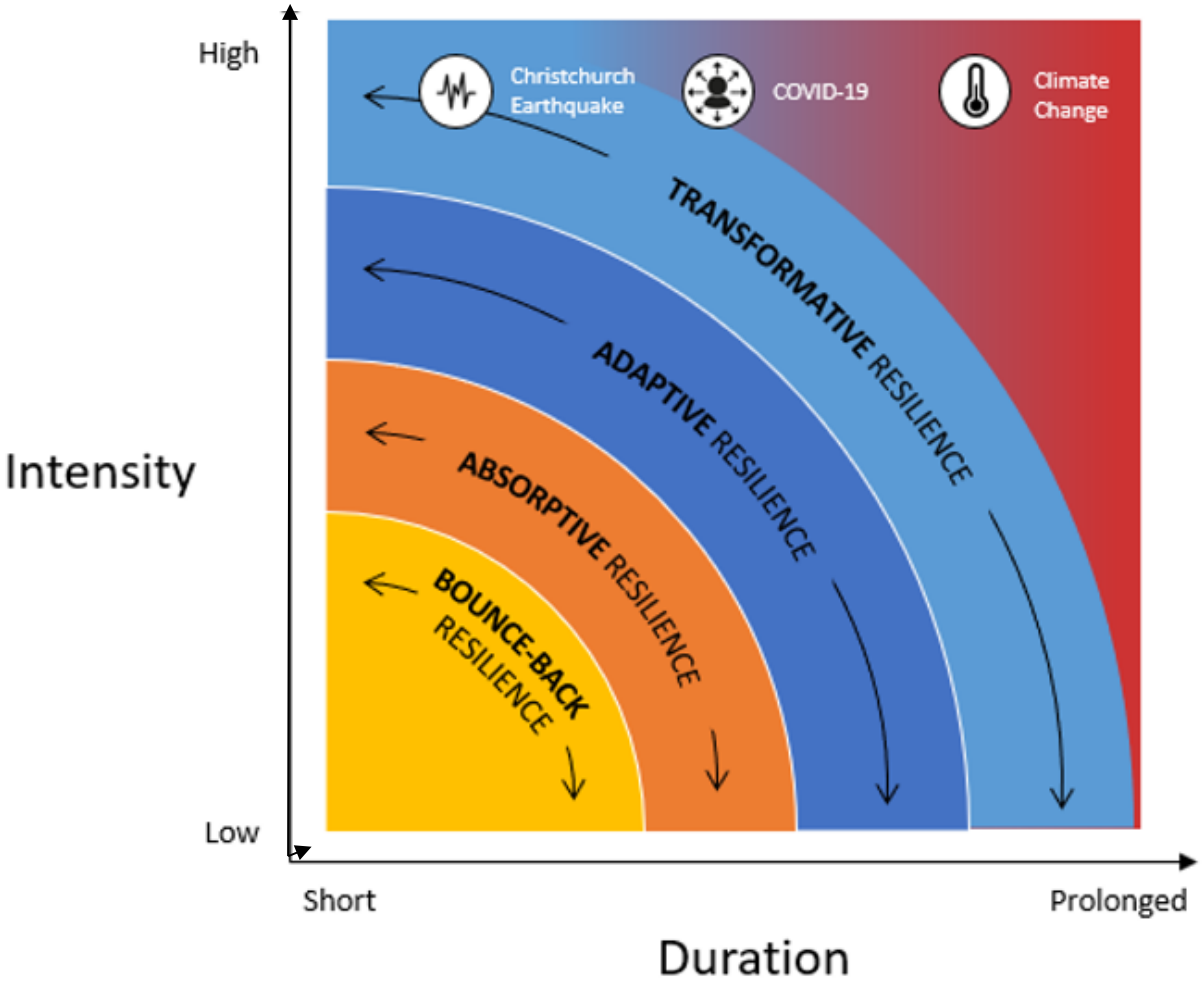
Adaptation and resilience

Because Snodgrass and other parts of the wider Westport area are unprotected, the area will continue to be more vulnerable than urban Westport. Technically, the level of service for Snodgrass will not be the same as the rest of Westport, and it is more likely this area, compared to other parts of Westport, will be subject to flooding. In all likelihood, this means that Snodgrass will be affected by climate change earlier. In addition, in other parts of Westport there will be effects from a degree of ponding or diverted flow as a consequence of the embankment and walls.

It is not our way on the West Coast to do nothing when communities are faced with this type of challenge. We realise that neither the Government nor Councils can undertake a full buyout. But we think it is reasonable to advocate for some level of assistance for people in this predicament.

What we need to head for is long-term 'transformative resilience'. While the intensity is similar, the scale of necessary change may need to occur over a longer period than that for the Christchurch earthquake and that experienced with Covid-19. To state the obvious, we know that responding to climate change-induced flooding presents significant community challenges (Figure 30).

Figure 30 - Climate change induced flooding and transformative resilience[84]



We are proposing establishing an Adaptation Fund of $10m to allow for some local relief for Snodgrass property owners, and for others who might be affected downstream and upstream by the embankment and walls. The purpose of the fund will be to support people who are disadvantaged or unprotected, and who wish to take steps to adapt their circumstances as a result, for example:

- Independent advisory services, along the lines of the Residential Advisory Service in Christchurch.
- A subsidy where owners wish to raise their building's floor level.
- A subsidy where owners wish to relocate to a site outside the hazard zone.
- A subsidy where owners wish to undertake minor earthworks to manage water.
- Conveyancing, consenting or other legal advice.

We envisage this Fund will have a high degree of rigour around eligible candidate criteria and will be overseen by the 'reset' Steering Group[85]. The Fund would be used to partially fund owners who wish to help themselves – we envisage this Fund might cover up to half the cost of specified actions that align with the overall intent of achieving a more 'Resilient Westport'. There would be a cap on the fund.

[84] Source: HenleyHutchings – as adapted from the handbook of regional economic resilience.
[85] More details about the proposed reset of the Steering Group are provided later in our proposal.

It is easy to view seaside communities as places for affluent property owners with financial resilience. We think this is unfair. The Snodgrass community is at the forefront of New Zealand's adaptation effort. Every hazard risk and climate resilient policy quandary is captured in this small settlement. We appreciate that the Government will not wish to set a precedent, but we feel we have an ethical obligation to provide some measure of assistance.

The Ask

In this section we are asking for:

Initiative	Total Cost	Our Ask of Government	Comments
Invest in infrastructure at Alma Road			Live $18m IAF application
Development plan at Alma Road to ensure positive community outcomes	$250,000	$250,000	
Feasibility study into strategic land purchase at Alma Road or another resilient site	$250,000	$250,000	
Adaptation Relief Fund to provide assistance to owners in areas like Snodgrass	$10,000,000	$10,000,000	Evaluation criteria to be refined

Accommodate

Reduce the consequences of the hazard

Accommodate

West Coast CDEM Group

The Coast is one of the most hazardous places in New Zealand, but with the lowest rating base and very high levels of deprivation. The result of these conditions is that Westport, as part of the West Coast CDEM Group, has the least means to invest in strong CDEM systems and structures. We have formally reviewed the CDEM capability and capacity and have identified areas that could be further enhanced.

Of course, it is not unusual for Civil Defence Emergency Management Groups to have competing pressures and tensions. They also attract fairly regular reviews and restructurings, in an effort to address perceived performance issues, in between events.

We appreciate Government is currently looking to address some of these issues through the 'trifecta' of changes to the CDEM framework. However, while this takes place, we have the existential threat of flooding right here and right now.

The fact is, on the West Coast we have four Councils with too few resources. Reviews have pointed out the need for stronger leadership and culture change, but the West Coast is currently reliant on outside resources to deliver their obligations under the CDEM Act.

We were grateful to receive $375,000 of shovel ready funding for the Westport Advanced Flood Warning System. This has been integrated into the WCRC flood monitoring and response system. The data from the monitoring stations informs alert and flood modelling for the Westport community.

Ideally key CDEM staff would strategically support planners with reducing risk though better land use planning, and through community education based around risk reduction and readiness. However, the focus is almost invariably on response during and after the event and in the case of Buller, lack of infrastructure investment and planning makes our community vulnerable.

While flood hazard is currently front of mind, AF8 is like Damocles Sword hanging over Westport, and the same concerns apply. We believe the associated CDEM reforms will likely increase the demands on our Councils without providing the resource required to implement them. Any change is likely years away. We can't wait.

We have had Emergency Management Assistance Teams assist with developing flood evacuation plans, but we do not have the skills and resources to socialise these plans with our communities. Nor do we have the resources to raise awareness of the hazard and how to respond.

As part of developing this proposal, we invited river and flood modelling engineer Matthew Gardner to make a public presentation about the history and challenges of flooding from the Buller and Orowaiti Rivers. Despite having been flooded three times in eight months, this was the first time we had the resources to be able to provide the community with an overview of the hazard they face every day.

These problems cannot be solved overnight, and that there is never enough resources to do everything in emergency management. But we also know the status quo is indefensible should there be another flood or earthquake.

We would like to propose the Government assist West Coast CDEM to grow its capability through the funding of a secondment of a senior officer or official for two years, a Resilience Officer, based in Westport and linking in to the CDEM structures. Such an officer would pursue the following objectives:

- To educate, connect with and grow community network and neighbourhood awareness of flood and earthquake risk, helping people to help themselves – before, during and after an event. This includes the development and communication of community-based evacuation plans.
- To progress the existing Community Hub and Navigator program, including analysis supporting a permanent hub that incorporates evacuation planning and providing people with the support to connect with agencies that can provide welfare, financial and mental health support.
- To connect people with agencies and funds where communities wish to engage in afforestation or riparian planting activities that contribute to flood risk mitigation.
- To grow Westport-based organic CDEM capacity and leave a legacy of elevated levels of competence.
- To assist to develop GIS systems to provide public facing information to grow hazard awareness.
- To integrate the Advanced Flood Early Warning project into a 'business as usual' framework.
- To liaise with the CDEM Group to strengthen relationships and processes.
- To grow and enhance the West Coast Lifelines Group in and around Westport.
- To develop strong connections and trust with relevant Government agencies and stakeholders, such as MSD, Waka Kotahi, KiwiRail, DoC and NEMA.
- To assess the practicality of deploying planned relocatable temporary flood barrier devices and sandbags.

We think this would cost around $250,000 per annum for two years. This would cover the key person's costs and provide them with a modest budget (for GIS, communications collateral) to achieve the above. By supporting Buller, this will in turn support the region as a whole as CDEM caters for the whole of the West Coast.

Figure 29 - Inflatable temporary flood barrier

Wave and sea level gauge

We have also become aware there is no accurate sea level gauge on the West Coast, nor an accurate wave height buoy. As a result, the coastal boundary conditions used in the modelling have significant uncertainty. We believe it would be prudent to invest in a more robust gauging station to inform future hazard management decisions. There is also significant uncertainty associated with local land movement - a land-based device would keep data relevant during and after an Alpine fault event. Local debate abounds about the balance between tectonic change and sea levels.

We have been told these gauges are installable for around $80k inclusive of a radar sensor and dual communication systems. Annual maintenance would add $10k to the cost. A co-located global navigation satellite system station would also be an advantage as this would address the land movement issue. Without such technology, which is readily available and deployed in other parts of the country – the West Coast is flying blind.

Stormwater and groundwater

The Westport rivers are one of three potential sources of flooding in Westport. Intense local rainfall, high water tables – and the influence of increased sea level heights on these water table levels will also contribute to the town's flood risks. A proposal for a flood resilient Westport would not be complete without addressing these other risks. Provision needs to be made for pumps to remove accumulated local stormwater. These would also provide for the removal of the additional groundwater that may accumulate in the lower parts of Westport because of sea level rise.

We propose that separate provision be made for these circumstances, at a cost $12m. In addition, this investment is required to remove the excess stormwater that may build up when Westport's rivers are at peak flow, the flap-gates are closed and – at the same time, Westport is receiving significant localised rain.[86] We recommend that detailed modelling be undertaken to estimate the circumstances, quantity, timeline and area of effect of sea level rise-induced effects more accurately on Westport's groundwater.

Accommodating through Insurance

Like most New Zealanders we have become accustomed to using insurance as a way of transferring risk. We appreciate this only works where the risks posed by a hazard can be quantified, and traded efficiently, to reduce potential financial impacts. Where hazards are either too frequent, or too rare and uncertain to price efficiently, they cannot be quantified and traded, and insurance may become uneconomic.

There are suggestions Westport is becoming uneconomic to insure. The Insurance Council reports that the estimated cost of the damage to Westport property from the July 2021 flood event at $88m.[87] The allied suggestion is that the industry is not willing to risk a repeat pay-out of this magnitude.

[86] Storm water Pumping Proposal. Technical report to the TAG, Buller District Council, 9 May 2022.
[87] ICNZ website 22 Mar 22 *Cost of Natural Disasters.*

Exacerbating this view, in relation to Westport, Tower announced late in 2021 that it would be increasing premiums in high flood risk area. Tower stated that: *it did not want to see those who lived in low flood risk areas subsidising those who had homes in high flood risk areas.*[88]

This has caused some community consternation, although insurers themselves report that insurance is still readily accessible in Westport.

There is an abundance of anecdote but little concrete evidence available to verify the veracity of these stories, or to undertake analysis. However, it is widely expected that insurance in places like Westport will start to become either unavailable or very expensive. The insurance sector itself has signalled that in coming years, future insurers are not likely to take on customers in areas prone to flooding.

This does not come as a surprise. We have been watching developments with '*Flood Re'* in the United Kingdom. Equal developments are occurring with the National Flood Insurance Program in the USA. Ultimately insurance withdrawal seems inevitable in high-risk locations.

For some years now, Treasury has been assessing options for the future of the market in New Zealand. This is for the benefit of places like Westport, but we are not aware that this is likely to be of much immediate help to Westport.

To be fair to the Insurance Council, for many years it has been strongly advocating for Local Government to take a long-term view on resilience and to not consent to developments in high-risk areas.

If parts of Westport are to become uninsurable, this will be distressing for many West Coasters. There is no silver bullet to fix this issue. In truth it is difficult to even find evidence of insurability, due to commercial sensitivity around that sector. This is difficult for Councils, as we have no wish to consent land use or buildings in uninsurable areas.

Eventually, we think there will be insurance retreat from parts of Westport and other at risk areas. This mirrors what has happened overseas. Inevitably, this means low- income households are increasingly exposed to the full economic risk of climate-related natural hazard events, exacerbating inequalities.

We see the proposal outlined in our Business Case, as an opportunity to mobilise and realign effort to build confidence that *Westport manages risks well, related investment and planning are credible, the community is resilient, and we have a very good handle on the climate change impacts we are facing*.

Our proposal is informed by what we are hearing from insurers. However, we are realistic about how the insurance sector works. We anticipate a need for expanded future Government involvement. This will be required, at least on a transitional basis, as private insurers find that they can no longer make profit from the transfer of flood risk – mirroring in principle what has occurred with EQC and earthquake risk. We understand this. We are happy to be involved in Government planning and thinking around insurance. We understand that Treasury has been looking at this area for some years, however we have not yet been invited to participate in this analysis.

[88] 10 November 2022 Residential Flood Risks Tool | Tower Insurance NZ

The Ask

In this section we are asking for:

Initiative	Total Cost	Our Ask of Government	Comments
CDEM capability	$500,000	$500,000	Over two years
Warning buoys and GNSS	$250,000	$250,000	Via GNS and NIWA
Stormwater	$12,000,000	$8,000,000	Opex @ 1-3%

The Ask

A summary of our request

The Ask – a summary of our request

To summarise our request to you Minister, we are asking for a mix of financial and non-financial support:

Initiative	Total Cost	Our Ask of Government	Comments
Protect			
Westport ring-bank, Carters Beach, and Organs Island reafforestation Option B	$18,050,000	$13,537,500	Year 1 (FY22/3)– planning and design Year 2-4 construction (75/25% split)
Organs Island reafforestation	$1,500,000	$1,125,000	Years 2-17 – three x five yr phases
Immediate works on the Buller riverbank	$3,300,000	$3,300,000	
Operational expenditure Buller riverbank	$3,000,000	$3,000,000	Years 1 -10
Operational expenditure over ten years on Westport ring-bank and Carters Beach	$3,300,000	$2,600,000	Years 1 -10
Resource consents, owner agreement, Council project management, final design	$1,000,000	$750,000	Year 1
Contingency	$1,000,000	$750,000	
Avoid			
An Order in Council or other fast-tracking mechanism for TTPP resilience provisions			Minimal additional cost
Ability for BDC as a BCA to align the Building Code provisions with sensible flood resilience within the TTPP			Minimal additional cost
Retreat/relocate			
Invest in infrastructure at Alma Road			Live $18m IAF application
Development plan at Alma Road to ensure positive community outcomes	$250,000	$250,000	
Feasibility study into strategic land purchase at Alma Road or other resilient site	$250,000	$250,000	
Adaptation Relief Fund to provide assistance to owners in areas like Snodgrass	$10,000,000	$10,000,000	Evaluation criteria to be developed
Accommodate			
CDEM capability	$500,000	$500,000	Over two years
Sea level monitor / tide gauge and GNSS	$250,000	$250,000	Via GNS and NIWA
Stormwater	$12,000,000	$8,000,000	Opex @ 1-3%
TOTAL	**$54,400,000**	**$44,312,500**	

How We Will Implement

Governance

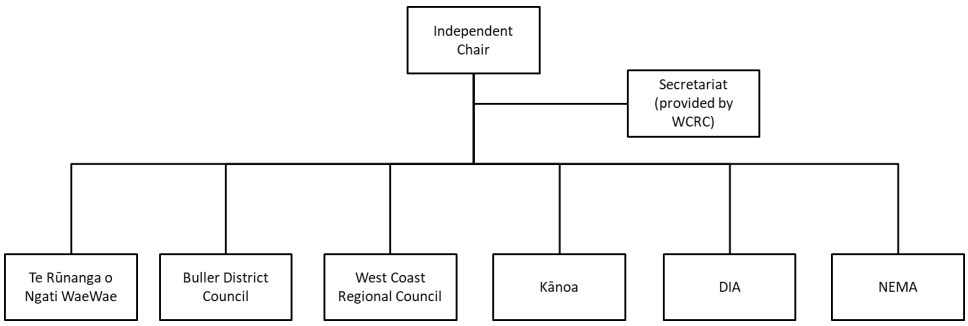
We propose to reset the Buller Flood Recovery Steering Group that has stood us in such good stead to date. The Group already has representatives from both Councils, NEMA, DIA, Ngāti Waewae and an independent chair. We would look forward to adding a representative from Kānoa or Kainga Ora as appropriate. One of the purposes of these additions is to ensure alignment between various governance interests.

We would also adjust the terms of reference to ensure the appropriate level of assurance, co-ordination and oversight for all four elements of the PARA framework was provided. In addition, we would revisit the strategic settings, including the Critical Success Factors. This would be to ensure the long-term purpose of the Steering Group was accurate and that the focus of the reset was clearly on benefits realisation.

In addition, we would be happy to invite a senior officer from the Ministry for the Environment to sit on the Steering Group as an observer, in order to provide living evidence of the challenges for those communities facing climate change. This would inform the National Adaptation Plan and the Climate Change Adaptation Act. We also believe we have some valuable insights that might inform the 'Future for Local Government' Review during their process.

We think the Steering Group structure could look like this:

Figure 30 - Proposed Steering Group structure



The costs of the Steering Group are capitalised programme management costs.

Asset Management

Once constructed, the new structural assets need to be properly maintained. WCRC are currently developing best practice Asset Management Plans (AMPs) to drive our future work programme. The AMPs are being designed so that they feed into our Infrastructure Strategies and Long-Term Plans. To help us do this, we have enlisted the assistance of Te Uru Kahika and Greater Wellington Regional Council. They are providing assurance we have the requisite people, systems, and processes in place.

As part of this work, we have adopted a comprehensive, risk-based framework. This is the system developed by New Zealand's River Managers to assess the performance of flood protection assets. This framework is known as the 'National Asset Performance Assessment Code of Practice'.[89] The Code aligns with the principles promoted within the International Infrastructure Management Manual (IIMM, 2015), and therefore also the requirements set out in the ISO 55000 (2014) international standards for asset management.

By applying the Code to Westport, the performance of all the flood protection assets along the river are assessed, with respect to required service levels, whilst considering the risks posed to communities. This system incorporates legacy assets handed down from the catchment board days. It also accommodates other assets (such as private assets) that contribute to flood protection. When completed, assessments produce a risk profile segmented into each distinct reach of a river. The asset performance assessments will enable the Council, on an annual basis, to:

- Identify critical assets and critical asset systems – including all assets established by the Catchment Board in the past, along the river scheme.
- Identify failure modes for particular assets and asset systems, in relation to the performance framework.
- Communicate risk to people.
- Undertake risk-based decision-making in relation to asset performance and flood risk.
- Prioritise remedial actions to the highest risk areas.
- Identify gaps in knowledge or lack of accurate data.

The performance assessments are undertaken by WCRC, but will be shared via the Steering Group, with Buller District Council and other stakeholders such as Waka Kotahi and KiwiRail. This is to ensure integration with other investments such as stormwater systems and bridges, and to ensure an abundance of clarity about who is responsible for managing which assets, both new and existing. Ultimately the AMPs will drive the capital investment and operating budgets in Long-Term Plans.

Programme Management

Given the size and complexity of the work programme described in our Business Case, we are adopting a programme management approach (alongside project-specific management for structural flood risk mitigation elements). This will enable a road map of all the PARA projects to be created with each area grouped into tranches and each able to be processed in tandem. Using this method, we expect increased compliance, decreased construction cycle periods, lower costs and – most importantly, measured progress toward a more resilient in the Westport community.

[89] This was developed with support from Waugh Infrastructure Ltd for the Rivers Special Interest Group comprising river managers from across New Zealand's regional and district councils. The river managers sought a framework that would assess the overall performance of flood protection assets in a consistent manner across the country.

A Programme Manager will be appointed. Their role will be to regularly report to the Steering Group on progress on the projects falling within the program, including the basic elements of feasibility, planning, design, construction, risk, and closeout. Each project will be managed both individually and separately from projects in the same group.

We envisage a couple of areas requiring specific focus. The Steering Group intends to give additional attention to these areas. They include:

- **Health and safety:** These are the responsibility of both Councils. This will be a standing agenda item for the Steering Group. It will cover mental well-being as well as physical safety. It will likely extend beyond the program itself and into the community.
- **Communications and engagement:** These are a very public-facing programme. At key times there will be a need for a concerted effort with landowner and members of the public. The Steering Group has already recognised this, and the Councils are resourcing this area.
- **Procurement:** The Programme Manager will be accountable for oversight of good procurement practice, ensuring that public sector processes are adopted and followed.

More generally, WCRC and BDC are currently investing in building the capability and capacity of their staff to ensure that programme management is adequate, strongly supported and enduring for the life of the resilience programme. WCRC is in the process of standing up a project delivery team that will resource key projects as required.

Procurement Strategy

The West Coast is challenged by current market conditions just like everyone else. We are experiencing a shortage of professional services, physical works delivery labour and there are delays and cost increases across key supply chains. Perversely, the Government's approach to Covid recovery gave rise to economic stimulation through investment in infrastructure projects. We are not alone in noting this has placed pressure on an already tight market.

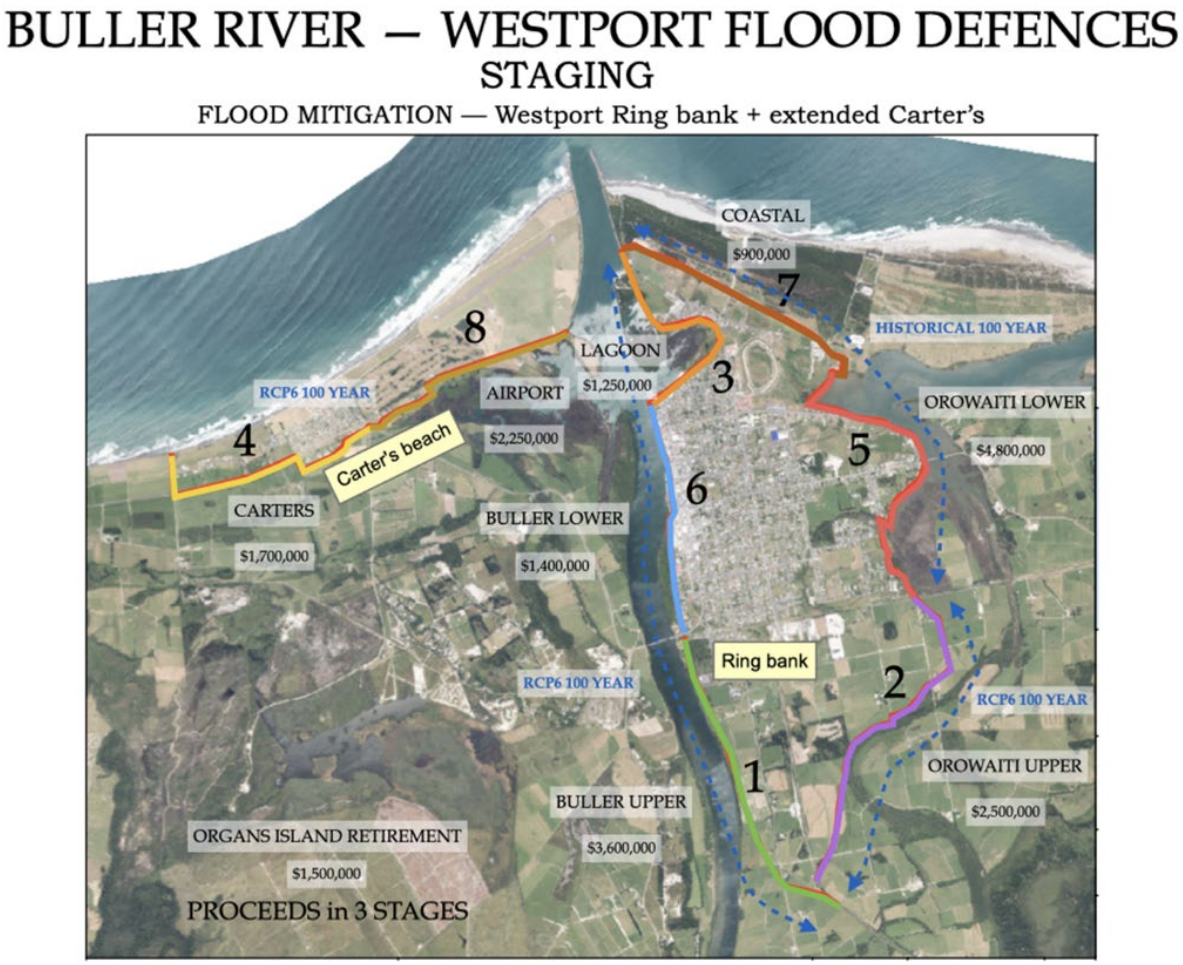
While we have used robust engineering estimates for structural works, there is still a high degree of uncertainty. This in turn has driven our intention to take a proactive approach to procurement practices, program management and contract management in order to increase our ability to deliver. In an ideal world we would use a traditional two-tier tender process to secure a construction partner. We have not found this to be a very successful methodology in the current market. Today's abundance of work has discouraged businesses from entering into expensive and sometimes protracted competitive tendering processes.

We are therefore proposing to use an early contractor engagement model. This involves us partnering with suppliers such as engineers, designers, consultants and physical works contractors. We will enter into contracts that allow for greater sharing of risk, and as described above we are already building internal capability to plan and deliver projects.

Phasing / staging of proposed construction

Thinking has already commenced around procurement for the rink embankment. We are proposing eight packages of work to be completed over three years:

Figure 31 – Staging of proposed construction



A report[90] commissioned into concept designs also outlined a preliminary sequencing proposal for construction of the flood defences. This was based on the application of a qualitative assessment risk matrix. This matrix is made up of the variables such as: likelihood of flood occurrence; consequences of flood occurrence; constructability (relative ease of construction); and consent-ability.

With this risk matrix in mind, we are of the view that the first stage of construction should be focused on the inland portion of the scheme. The proposed embankment structure next to the Buller River is the number one priority. The 'phased' construction of the full proposed Westport flood risk mitigation scheme is expected to take three years.

Before construction can commence, we know there are many 'process' matters to be resolved. These include securing appropriate project management skills, confirming funding (including a decision from Cabinet about our desired level of 'co-investment'), consultation with affected parties and landowners, acquiring resource consents, securing property access rights, confirming 'rights' for land occupation by scheme structures, completing final design, and tendering for the supply of services and materials. These processes may take 8-12 months.

[90] G & E Williams Consulting Ltd

Conclusion

We began developing this proposal with an honest conversation about the flood risks for Westport, and our ability to pay to mitigate them. We designed and followed a process that set out to satisfy the Better Business Case framework.

We convened a Steering Group that shepherded a work programme through that process to settle on the recommended package of options we have presented. The Steering Group ensured that our process had integrity, and assured buy-in from key stakeholders.

We have applied the PARA framework. The components of this framework are interdependent strategic packages of initiatives. Many of these initiatives have already been discussed with the people of Westport, but have not previously been formally collated and articulated in this way.

The package does not all need to happen at the same time. But some work cannot wait. The Buller riverbank rock protection and the ring-bank cannot wait. If we wait, the cost of damage to buildings alone is likely to be $400m. To us, this part of our proposal seems an obvious candidate for fast-tracking. The Crown itself has $1bn of assets in Westport, many of these are at risk.

We acknowledge that the risk cannot be eliminated. There will always be a degree of residual risk. The ring-bank does buy us valuable time so that we can deploy some of the *Avoid* and *Retreat / Relocate* strategic initiatives.

We feel that these initiatives are all strategically aligned with the Government's direction of travel, and we are pleased to be able to work alongside you as a case study.

On the following page we have summarised how our proposal aligns with the Better Business Case framework.[91] We are comfortable that we have managed to bridge Local and Central Government processes. We think that local and central collaboration is essential if we are to successfully rise to the challenge of climate adaptation, and we are happy to be at the forefront of thinking and action.

Finally Minister, we wish to conclude by thanking you again for your support and the support of your officials to date. They have been superb to work alongside.

[91] Framework provided by Morrison and Low.

Indicative Business Case

Strategic Case:

Need to Invest

- *Westport is situated on a floodplain, between two rivers and the sea. It is one the most flood prone communities in New Zealand.*
- *In July 2021 and February 2022 Westport experienced two very large flood events. The community will struggle to sustain another event, social-psychologically and financially.*
- *Westport also has a very low rating base and one of the highest levels of deprivation in New Zealand. Without government co-investment the community can not afford future-proof flood protection measures*
- *There is strong community agreement that 'doing nothing' is not an option*

Strategic Context

- *'PARA' framework – international framework developed for climate change adaptation planning*
- *Buller DC and WCRC Long Term Plans*
- *Local Government Act 2002*
- *RMA reform*
- *CDEM Act 2002*
- *Three Waters reform*

Investment Objectives and Case for Change

Objective 1:	***Reduce the extent, frequency and consequences of flooding from severe weather events on the Westport community***
Existing arrangements	*Flooding has occurred throughout Westport's history and the district is at risk of further flooding events. Climate change will substantially increase the severity and frequency of the risk of Westport flooding.*
Business Needs	*Our aim is to reduce the probability of flooding causing damage and disruption to people and property in Westport and its surrounds, taking into account what is needed to adapt to the effects of climate change.*
Objective 2:	**To Improve the ability of the Westport community to prepare for, continue functioning during and after, and recover quickly from flooding events**
Existing arrangements	*The community is fatigued by recent flooding events and frustrated with the lack of direct action taken to mitigate future risk.*
Business Needs	*To make sure the Westport community is more resilient and prepared, recognising that 'absolute protection' is not possible and that there will be some level of residual risk of flooding.*
Objective 3:	**To Reduce undue long-term financial burden on the community**
Existing arrangements	*Westport's low ratepayer base cannot afford a future-proofed flood protection scheme.*
Business Needs	*The cost of building and operating flood interventions and of flood response strategies is financially sustainable for both current and future residents.*

Economic Case:

Initial Options Analysis

NIWA analysis confirmed that significant cost benefits would arise from the investment into the proposed Westport flood risk mitigation scheme…

Model Scenario	Buildings: Sum of Building $Loss ($NZ)	Roads: Sum of Exposure Costs ($NZ)	Rails: Sum of Exposure Costs ($NZ)	Scenario Total ($NZ)	Description of Flood Hazard Model Scenario
Base_ARI100_RCP6 (Status quo / no protection)	$404,927,949	$77,426,220	$113,254,863	$595,609,033	Future Climate, 100-year ARI event (RCP6 2100)
OpB_ARI100_RCP6 (Preferred option)	$15,490,025	$66,665,094	$26,956,520	$109,111,640	Future Climate, 100-year ARI event (RCP6 2100)

Infometrics calculated the discounted costs (investment cost plus residual loss) compared to Do Nothing, which further validated NIWA's findings…

Action	No Climate Change ($m)	RCP6 Climate Change ($m)
Do nothing	169	213
Preferred Option	36	50

The Preferred Way Forward: *Our proposal combines a mix of structural solutions and adaptive pathways. The former provides Westport some security in the short-term, whilst buying some time for preparation of adaptive solutions over the longer-term, such as moving to higher ground.*

Commercial Case:

The Potential Deal: *Our intention is to take a proactive approach to procurement practices, program management and contract management in order to increase our ability to deliver.*

We are proposing to use an early contractor engagement model. This involves us partnering with suppliers such as engineers, designers, consultants and physical works contractors. We will enter into contracts that allow for greater sharing of risk, and we are already building internal capability to plan and deliver projects.

Financial Case:

Indicative Costs

	Total Cost	Govt Co-Investment
Opex	$8.3m	$7.35m
Capex	$39.1m	$29.9m
Total	**$47.4m**	**$37.3m**

Affordability and Funding: *Investment in flood protection can be expensive, but not investing in flood protection can be much more expensive, as evidenced by NIWA and Infometrics' analysis.*

Ratepayers are willing to fund a fair proportion of the required works but the full costs are too big a burden for Westport, especially given its low ratepayer base and deprivation status.

Management Case:

2022 → **2023**

- Proposal delivered to central government — **June 2022**
- Response from central government [working assumption] — **September 2022**
- Consultation with local community — **Early 2023**
- Ring bank planning and construction — **Mid 2023**

Achievability: *Given the size and complexity of the work programme described in our Business Case, we are adopting a program management approach. This will enable a road map of all the PARA projects to be created with each area grouped into tranches and each able to be processed in tandem. Using this method we expect increased compliance, decreased construction cycle periods, lower costs and measured progress towards more resilience in the Westport community.*

Appendices

Appendix one: Correspondence from the Minister of Local Government

Office of Hon Nanaia Mahuta
MP for Hauraki-Waikato
Minister of Foreign Affairs
Minister of Local Government
Associate Minister for Māori Development

17 February 2022

Allan Birchfield
Chair, West Coast Regional Council
allan.birchfield@wcrc.govt.nz

Jamie Cleine
Mayor, Buller District Council
jamie.cleine@bdc.govt.nz

Tēnā kōruā

Building the resilience of the Buller district to future flooding

I am writing to offer my support to the work your councils are doing to improve the resilience of Buller to future flooding and to set out my expectations for the next phase of work.

I firstly want to acknowledge and thank you for your work to date to support the Buller community recover from the July 2021 flooding and your management of the recent severe weather events. These events demonstrate the challenges and urgency you face in protecting the community from future flooding.

My officials have provided regular updates on the recovery work since the July 2021 flood event. I am pleased to hear of the collaboration that the Buller Recovery Steering Group has achieved working with your two Councils, Ngāti Waewae and the Government agencies. I support the use of the Steering Group to develop options to increase the resilience of the Buller district to future flood events, as well as continuing to oversee the allocation of funding approved by Cabinet last year to support the recovery effort.

Ministers have agreed that options should be developed in order that the Government can consider co-investment in flood protection as part of a set of solutions to enhance the flood resilience of the Buller District. It is important that the Steering Group oversee the development of an integrated package to provide longer term flood resilience recognising the different contributions that the two Councils might play.

Developing a proposal for co-investment

I request that you present a proposal for co-investment in June 2022 as I recognise your community will need certainty as to the scale and nature of any central government support as soon as possible. I will work with other Ministerial colleagues to consider your proposals, which, if supported, will be taken to Cabinet in mid-2022.

Private Bag 18041, Parliament Buildings, Wellington 6160, New Zealand
+64 4 817 8711 | n.mahuta@ministers.govt.nz | beehive.govt.nz

It is important to note, however, that I cannot guarantee Crown funding or financing for any co-investment proposal. The Minister of Finance's expectation is that proposals with financial implications should generally be consideration in a Budget process, unless there is a compelling case for urgency. As such, for the co-investment proposal to be successful it should be well-developed, demonstrate value for money, be robustly costed and accompanied by detailed next steps.

So that I can present the strongest case to Cabinet it would be helpful if the proposal could set out:

- why current policy and funding levers are insufficient to result in the best long-run risk reduction package for the community. This means the proposal should be clear about what Crown support can achieve over-and-above what is possible given your respective financial capacities;
- what makes Buller an urgent and compelling case, given the number of other communities in New Zealand that are exposed to natural hazards that would also benefit from central government support;
- how the proposal supports the government's broader policy goals in areas such as climate adaptation, community resilience, and resource management reform. Department officials can support you to identify these goals and contribute their knowledge on relevant Government policy and directions.

I have asked my officials to support you in developing the broad set of options for future flood resilience but I note the development of the co-investment proposal will need to be driven by your respective councils according to your existing roles and responsibilities.

I look forward to reviewing your proposal in due course.

Nāku noa

Hon Nanaia Mahuta
Minister of Local Government

Copies to:

Hon Kiritapu Allan, Minister for Emergency Management, k.allan@ministers.govt.nz

Francois Tumahai, Chairman Ngāti Waewae Arahura, francois@ngatiwaewae.org.nz

Heather Mabin, Chief Executive of West Coast Regional Council, heather.mabin@wcrc.govt.nz

Sharon Mason, Chief Executive Buller District Council, sharon.mason@bdc.govt.nz

Richard Kempthorne, Independent Chair, Buller Recovery Steering Group, kempthorne.randj@outlook.com

Paul Barker, Partnership Director, Department of Internal Affairs, Paul.Barker@dia.govt.nz

Appendix two: Buller Recovery Steering Group Terms of Reference

Terms of Reference for the Buller Recovery Steering Group

Background

On 23 August 2021 the Government agreed to provide additional assistance of $8 million in 2021/22 to enable the Buller District Council to meet its immediate operating shortfalls and start a recovery programme of works following the July 2021 flooding event. It was noted that the National Emergency Management Agency (NEMA) and the Department of Internal Affairs (DIA) would develop a governance structure in consultation with local government to oversee and monitor the Buller District Council's (BDC) use of available funding, inform regular reporting to the Minister of Finance, Minister of Local Government and Minister for Emergency Management and seek draw down of funds in monthly instalments.

A Steering Group was established in September 2021 comprising BDC, the West Coast Regional Council, iwi, DIA and NEMA chaired by an independent Chairperson. The Steering Group has overseen the allocation of most of the $8 million appropriation to support the BDC's flood recovery activities. A Funding Agreement has been established between the BDC, DIA and NEMA which provides the specific arrangements for payment of Crown funding to support the BDC's recovery efforts.

Given the progress achieved with the immediate response and recovery led by the BDC, a review of the focus and operation of the Steering Group was undertaken at the end of 2021 to consider:

- The increasing shift of focus from flood response and immediate recovery to longer term flood resilience for the Buller district;
- The need to review representation from the West Coast Regional Council given the increased focus on flood protection measures as part of the longer-term flood resilience work; and
- The need to continue the role of the Steering Group to provide assurance to Ministers for the remaining allocation of the $8 million appropriation as well as to provide advice on further funding assistance that may be needed.

Accordingly, the Buller Recovery Steering Group's focus and membership have been amended and supersede previous terms of reference.

Purpose and Term

The Purpose of the Steering Group is to:

- provide effective guidance and oversight of the financial assistance appropriated by Cabinet in August 2021 to support the Buller Recovery including related matters set out in the Funding Agreement between BDC and DIA and NEMA;
- identify and recommend longer term flood recovery priorities for the Buller District including options to increase resilience to future flood events;
- provide advice to the Crown[1] and elected Council's members on future funding that may be sought from the Government to support the Buller flood recovery and increase resilience to future flood events.

The Group will continue to meet until 30 June 2022 when its role and purpose will be reviewed.

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[1] Noting that NEMA and DIA officials will absent themselves from decisions for funding requests to the Crown

Membership and Chair

Membership of the Steering Group will include:

- The Chief Executive and Deputy Chief Executive of the Buller District Council
- The Mayor and Deputy Mayor of the Buller District Council
- The Chief Executive and a designated member of the Executive of the West Coast Regional Council
- Two elected representatives from the West Coast Regional Council
- A representative of iwi
- A representative of the Department of Internal Affairs (DIA)
- A representative of the National Emergency Management Agency (NEMA)
- An independent Chair

- Each organisation shall nominate a specified alternate to the permanent appointee being a person who is mandated to speak on their behalf.
- A quorum for a Steering Group meeting shall be five members (or their alternates).
- The Chair will be nominated by the Government representatives in consultation with the Steering Group. This position will be funded by the Department of Internal Affairs.
- The Steering Group may invite other organisations or individuals to attend meetings as appropriate.

Role of the Steering Group

The Steering Group will:

- Provide oversight and guidance of work streams needed to give effect to the funding appropriated by Cabinet.
- Approve (or agree on) the work programme priorities and key milestones noting that a work programme and work streams will be developed alongside these terms of reference.
- Provide advice on key components of the workstreams including where financial assistance is sought from central government.
- Provide recommendations to the Chief Executives of the Buller District Council and the West Coast Regional Council in respect of findings and conclusions arising from the work programme noting authority rests with the Chief Executive and ultimately the Council.
- Support work stream leaders.
- Provide assurance over the progress of the work programme to the Mayor/Chair and Councils, iwi and, through Government department representatives, to the Minister(s).
- Monitor performance and report progress to the Council (via the Chief Executives), Iwi and the Crown (via Government Department representatives) on:
  - Risks and issues
  - Progress against budget
  - Progress against time lines
  - Performance against quality standards
  - Cashflow.

- Initiate and manage any independent audits or reviews requested.

- Assess and support the effective working relationship with key parties with interests in the work streams, including iwi and local stakeholders.

Steering Group Undertakings

Members of the Steering Group undertake to:

- work in a collaborative 'no surprises' way, and strive for consensus on desired outcomes for and projects to achieve them and related matters in order to achieve a 'best for recovery/work stream' outcome;
- create a high trust environment based on respect for each other and the agencies represented;
- support the respective organisations to achieve the best outcomes for the people of the Buller District affected by the July 2021 flood event; and
- ensure that public information and communications enable consistent and timely information on progress and agency roles and responsibilities. The Chair is responsible for all media releases.

Steering Group Administration

- The agendas for the Steering Group will be approved by the Chair, in consultation with the Chief Executives of the Buller District Council and the West Coast Regional Council.
- The Steering Group will collectively determine the meeting frequency, although the Chair may schedule additional meetings of the Steering Group, if required.
- A Secretariat will support the Steering Group by preparing papers and supporting analysis/documentation.

Approved by Steering Group 3rd March 2022

Appendix three: Flood Risk Management Legislative Framework

Legislation	Relevant Flood risk management purpose	Agencies/local authorities responsible
Resource Management Act 1991	• Management of significant risks from natural hazards (including floods) • Identification of hazards and control of land use and subdivision	• Ministry for the Environment • Regional councils • Territorial authorities
Building Act 2004 (and Building Code)	• Manages natural hazards in relation to construction and modification of buildings • Restricts building on land subject to natural hazards • Allows councils to set finished floor levels in relation to flood risk	• Ministry of Business, Innovation and Employment • Regional councils • Territorial authorities
Local Government Act 2002	• Local Government is responsible for the avoidance and mitigation of natural hazards • Long term plans provide for natural hazard management activities, flood protection and urban stormwater infrastructure.	• Department of Internal Affairs • Regional councils • Territorial authorities
Land Drainage Act 1908	• Allows land to be drained, contributing to modifying flood events • Powers to take and maintain land for drainage • Powers for new drains across private land	• Regional councils • Territorial authorities
Soil Conservation and Rivers Control Act 1941	• Powers to prevent flooding and soil erosion • Powers for general maintenance and works to water courses to avoid flooding/erosion	• Regional councils
Rivers Board Act 1908	• Control of rivers and powers to carry out works to prevent or lessen flood damage.	• Regional councils
Civil Defence and Emergency Management Act 2002	• Manages hazards across the 4Rs – reduction, readiness, response and recovery • Responsible for local level hazard management	• National Emergency Management Agency • Regional councils • Territorial authorities
Earthquake Commission Act 1993	• Provides insurance for land damage from flooding (if an insurance policy with fire cover is held) • Can decline a claim if the property has a s74 Building Act notice on it and the listed hazard occurs	• Earthquake Commission

Climate Change Response (Zero Carbon) Amendment Act 2019	• Requires preparation of a National Climate Risk Assessment and a National Adaptation Plan • Provides for reporting requirements on climate change adaptation	• Ministry for the Environment
Public Works Act 1981	• Enables compulsory acquisition of land for flood management schemes	• Land Information New Zealand
Local Government Official Information and Meetings Act 1987	• Provides for natural hazard information (including flood hazard) to be included on Land Information Memoranda	• Department of Internal Affairs • Territorial authorities
Taumata Arowai – the Water Services Regulator Act 2020	• Functions relating to establishing benchmarks for environmental performance of stormwater networks	• Taumata Arowai
Three Waters service delivery Reform (proposed)	• Will contribute to resilience and crisis response to proactively minimise the risk of flooding ahead of forecast events (e.g. hot-spot maintenance) and work with Regional Councils to co-ordinate CDEM response to flood events. New water service entities will be lifeline utilities.	• New water entities will be established under three waters service delivery reform

Appendix four: Better Business Case Framework

In preparing this report we have we have embraced the principles of Treasury's Better Business Case (BBC) framework. However, given the unique nature of this project, we have chosen to structure this report in a way that provides more narrative than the traditional BBC structure allows for. The table below outlines the requirements of the BBC framework and where in this work they have been considered.

Readers note: page numbers below will be updated in final version

Strategic Case		
Strategic Context Pg 6 Context pg 6 Pg 8 About Westport Kawatiri Pg 11 Flooding and Westport Pg 13 The Story so Far	*Investment Objectives* Pg 53 Appendix four	*Exploring the preferred way forward* Pg 18 Our Proposal – the PARA model Attached Report: *Real Options Analysis of Strategies to Manage Risks to Westport from Climate Change,* Informetrics
Economic Case		
Critical Success Factors Pg 53 Appendix four	*Long list options and initial options assessment* Attached Report: *Direct Damage Analysis for Scenario Flooding in Westport,* NIWA Attached Report: *Buller River Westport Flood Mitigation Engineering Report*, G & E Williams Consultants	*Recommended preferred way forward* Pg 18 Our Proposal – the PARA model Attached Report: *Real Options Analysis of Strategies to Manage Risks to Westport from Climate Change,* Infometrics
Commercial, Financial and Management Cases		
Procurement strategy Pg 40 Procurement Strategy	*Funding Requirements* Funding	*Planning for successful delivery – project management planning* Pg 38 How we will implement

Appendix five – Options not favoured by the TAG

Dredging of the Buller River

Some of our residents suggested that flood risks to Westport could be mitigated by carrying out more extensive dredging of the bed of the lower Buller River. This option has been investigated.[92] Our experts have reported, based on their review of decades of experience in managing gravel riverbeds, that:

- The Buller River has the power, in large flood events, to determine its own bed levels and bed profile. It will scour and deposit the considerable volume of bed material available within the catchment to suit its very high magnitude sediment transport capacity. Even comparatively small river floods could replace extracted gravel overnight.
- The Buller River channel, along its lower reaches and extending out to the river mouth bar, has been dredged for harbour development and for maintenance purposes for many years. This work has had little effect on the bar or on channel depths compared to that created by the power of the river.
- Dredging / gravel extraction is costly. There is no substantial commercial demand for aggregate in the Buller. Dredging will therefore come at significant ongoing cost.

With the above points in mind, we do not believe dredging can contribute to flood risk mitigation solutions in Westport.

Direct cut to the sea from the Orowaiti Estuary

An 'overflow cut' option was put forward for our consideration. The proposed cut was suggested as best located where the Orowaiti Estuary bends to the east. The cut was envisaged as allowing flow to go directly out to the sea, through the spit[93] thereby preventing higher than wanted ponding of upriver flood water flows.

The advice[94] received was that the long length of a cut between the estuary and the current coastline, and the lack of hydraulic grade at this location, would make any overflow cut option inefficient. Further:

- The cut would have to be wide and shallow to have sufficient capacity while still fitting the level limitations of the estuary and sea.[95]
- Maintenance of the cut would need to be relatively constant, with associated costs.
- An opening in this area would increase the risk of sea surge and tsunami hazards to residents of Westport.

Flood risk mitigation structures at Snodgrass

We fully explored the option of providing flood mitigation structures at Snodgrass. After deep consideration and despite having notified an initial intent to construct flood risk mitigation walls at Snodgrass,[96] we reluctantly no longer see favour in this option (Figure 19). Our reasons are that the:

[92] 'Buller River Gravel Extraction Recommendations,' Matthew Gardner 2020.

[93] The changes in the profile of the coastline and in the Orowaiti estuary over time, because of the coastal protrusion of the harbour moles, were demonstrated in slides presented by Matthew Gardner at the Councillor briefing held on 26 May 2022. The complexity of Orowaiti 'cut' options are summarised in a report commissioned by WCRC in 2015.

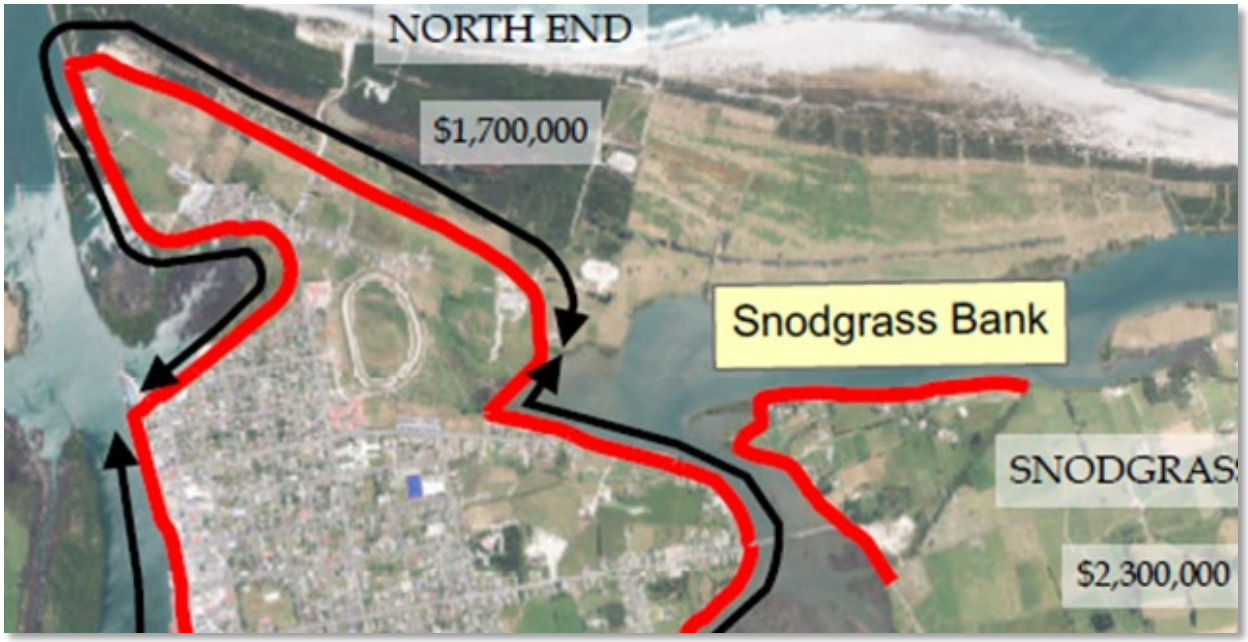
[94] G & E Williams Consulting Ltd.

[95] The tidal range i.e. the difference between the height of the water in the estuary and the sea level at MHWS at this location, gives rise to a small useable height range across the spit.

[96] This was in the WCRC 2021-31 LTP.

- Construction of flood risk mitigation structures at Snodgrass would significantly increase water levels for upstream properties over a length of 6km.[97] This would require higher structures for the Westport ring-bank on the other side of the Orowaiti estuary, as well as increasing flood depths on land within the (unprotected) Orowaiti overflow area upstream.[98] The higher structures would have further adverse amenity impacts on affected landowners, and it may be difficult to gain resource consent.[99]
- Snodgrass area is inherently vulnerable, under present climatic conditions – and even more so, under climate change-induced sea level rise and groundwater inflow conditions. Coastal flooding and groundwater ponding are likely to occur more frequently in the future even if flood risk mitigation structures were to be put in place.
- Cost benefit of investment is not as attractive as the investments in the Westport 'ring-bank' or at Carters Beach.[100]
- Resource consents for structural solutions may be difficult to obtain because the:
    - Toe of many parts of the embankment would extend into the estuary.
    - Public access would become increasingly constrained.
    - Structures may need to be of significant height thus creating unwanted amenity impacts for residents and visitors to this area.
- There are likely significant constructability issues which are yet to be investigated in detail, including complex road crossings.

Figure 34 - Location of proposed Snodgrass bank flood risk mitigation structures



[97] We note that one of the objectives set by the Steering Group was 'avoiding the transfer of any negative effects both downstream and upstream'

[98] These structures would need to be around 0.6m higher because of the constriction created by the construction of the Snodgrass walls.

[99] Landmark Lile Ltd Report

[100] The cost of the structures at Snodgrass has been estimated to be $2.3m (1:100). The capital value of the 34 properties at Snodgrass has been calculated to be close to $13m.

Excavating a causeway on the Snodgrass peninsula

Through the TAG, the effects of constructing a floodway along the lowest lying area of land in the Snodgrass area were investigated. The idea explored was whether this would provide relief from flood flows upstream of the State Highway 67 causeway. More particularly, we explored whether excavation of the causeway could eliminate the road flooding on the embankment access road to the State Highway, and whether an excavation could lower upstream flood levels, and hence lower the cost of flood defences at other locations.

Despite these potential benefits, this option would be difficult to operationalise. The reasons for this include the:

- Benefits in terms of lower flood levels in the Orowaiti are relatively small.
- Costs would be high because:
    - Bridging or constructing a set of box culverts would be required for floodwaters to pass under the State Highway.
    - There is a substantial area immediately downstream of the State Highway that has been filled. This fill would have to be removed at considerable cost.
    - There are several homes located on or near the proposed causeway and these would need to be relocated at considerable expense.

Constructing culverts at the Railway embankment at Stephen Road

The railway embankment across the Orowaiti river at Stephen Road is viewed by some residents as a weir control on overland flood flows. This railway embankment was severely damaged by flood flows in the recent flood events. In addition, existing bridge/culvert openings are small compared to the length of the embankment restriction.

Despite these factors, constructing culverts at the railway embankment at Stephen Road should not be an integral part of Westport's flood protection scheme. This is because:

- Flood impacts of the small existing openings are localised due to the poor hydraulic linkage across Stephen Road to the low wetland area below the railway line.
- An enlarged waterway capacity could have significant long-term benefits for KiwiRail, but they would neither hinder nor significantly benefit broader flood risk management.
- KiwiRail may see fit to apply, at its own discretion, for a resource consent to enlarge the opening at Stephen Road sometime in the future.

Despite these findings, we think that further discussions should take place with KiwiRail about the net benefit of the weir-type role played by the embankment. The question to address is whether joint investment should be made to enhance the resilience of this embankment.[101]

[101] At this stage, the costs of adding resilience to this structure have not been provided.

Constructing culverts on the embankment adjacent to the Orowaiti State Highway bridge

The possibility of removing the hydraulic restriction caused by the Orowaiti embankment was assessed by the TAG. We agree with the TAG's recommendation that this should not be pursued. This is because it would:

- Have little flood mitigation effect as the causeway was mostly 'drowned-out' in large flood events.
- Not generate sufficient cost / benefit.
- Need to take place in a sensitive area of estuarine mud flats thereby likely making resource consent for this work difficult to acquire.

Report to: Council	**Meeting Date: 28 June 2022**
Title of Item: Draft Quarry Tender documents	
Report by: Keri Harrison, Tui Creek Consulting	
Reviewed by: Heather Mabin	
Public excluded? No	

Report Purpose

The purpose of this paper is to table the Draft Tender Quarry Documents for an Operations Contract of Council's Quarries for review and consideration.

Report Summary

In August 2021 Council's implied Operations Contract of the quarries with MBD Contracting expired. This paper progresses a tender process to procure Operational Contracts for each of Council's active quarries, for the future.

Recommendations

It is recommended that Council resolve to:

1. *Receive this paper and note the attachment.*

Issues and Discussion

Background

At Council's May 2022 meeting, Council decided that the quarries should be temporarily closed so that Council could reset its internal processes around managing its quarries and prepare a tender for Operations Contracts for each of its active quarries on.

Current situation

In line with Council's direction, the Chief Executive contracted the services of Keri Harrison, Tui Consultancy to:

- Visit and review each quarry in order to prepare a Current Status report; and
- Identify the appropriate internal processes and information flows for Council to better manage its quarries; and
- Prepare the tender documentation for distribution to interested parties by 30 June 2022.

Considerations

Implications/Risks

Currently Council does not have a valid Operations contract for its quarries. By undertaking and completing a tender process, Staff intend to mitigate this risk.

Significance and Engagement Policy Assessment

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

Attachments

Attachment 1: Keri Harrison, Tuis Creek Consulting Ltd, *West Coast Regional Council Quarry Management and Operation Contract 2022 TCC,* 21 June 2022 (Final Draft).

Okuru, Camelback and Inchbonnie Quarry Management and Operation
Request for Tender
2022-1

FINAL DRAFT FOR DISCUSSION ONLY

Contract Name: Okuru, Camelback and Inchbonnie Quarry Management and Operation

Contract No.	2022-1
Principal:	West Coast Regional Council
Engineer:	TBC
Engineer's Representative:	Keri Harrison Tui Creek Consulting Ltd
Date:	20 June 2022

Table of Contents

Contract Agreement

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CONTRACT FOR		*(Contract Name)*
CONTRACT NUMBER		*(Number)*
THIS AGREEMENT is made on		
BETWEEN		*(the Contractor)*
AND	***WEST COAST REGIONAL COUNCIL***	*(the Principal)*

IT IS AGREED as follows:

1. The Contractor shall carry out the obligations imposed on the Contractor by the Contract.
2. The Principal shall pay the Contractor the sum of $ aa or such greater or lesser sum as shall become payable under the Contract together with goods and services tax at the times and in the manner provided in the Contract.
3. Each party agrees to the terms and conditions as set out in the Contract.
4. The Contract comprises the following documents:
   (a) This Contract Agreement;
   (b) The notification of acceptance of tender or aware of Contract;
   (c) The following post-tender documents (identify any agreed post-tender documents to be included, or example correspondence or minutes or pre-award meetings dealing with tender tags, and so on);

   _____

   _____

   (d) The Contractor's tender;
   (e) Notices to tenderers (Give details with dates);

   _____

   _____

   _____

   (f) Schedule 1: Special Conditions of Contract – Specific Conditions of Contract;
   (g) Schedule 2: Special Conditions of Contract – Other Conditions of Contract
   (h) The General Conditions of Contractor NZS 3910:2013 (including other Schedules;
   (i) Specifications issued prior to the Date of Acceptance of Tender;
   (j) Drawings issued prior to the Date of Acceptance of Tender:
   (k) The Schedule of Prices:
      ☐ (Select if *NOT* applicable)
   (l) The Schedule to the Conditions of Tendering;
   (m) The Conditions of Tendering; and
   (n) The following additional documents (identify an additional documents to be included);

   _____

   _____

5. This Contract shall constitute the entire agreement between the parties. This Contract supersedes all prior negotiations representations, and warranties; except insofar as the same are expressly incorporated herein.

SIGNED BY _____ Authorised Signatory of Contractor

SIGNED BY _____ Authorised Signatory of Principal

Part A: Contract Overview

1.0 Contract Overview

This contract involves the management and operation of three of the West Coast Regional Council quarries, known as Okuru, Camelback and Inchbonnie.

Operational activities include the extraction, grading and stockpiling of rock including the stripping and stockpiling of overburden and waste material for future rehabilitation purposes, maintenance of access tracks, haul roads and the maintenance of edge protection bunds on benches and access tracks/haul roads. All operational activities must be in accordance with the respective Quarry Management Plan and must not be conducted in a manner that will compromise any future management plans.

Operational activities include the management and maintenance of site access, signage, and security which all must be in accordance with the current Quarry Management and Operational Plan, and the relevant resource consents.

Management activities include the supply of suitably qualified personnel to ensure that the operations on-site are undertaken in a manner which is fully compliant with the Quarry Management Plans (including quarry inspections and reporting), Health and Safety Plan, Principal Hazard Management Plan(s), resource consents, relevant legislation, plans and guidelines, represents industry best practice and delivers whole of life best value for the Principal.

1.1 Quarry Background

Inchbonnie Quarry

Inchbonnie quarry is in Inchbonnie, a rural locality 66.6km inland of Greymouth at theend of McArthur Road. The quarry is located by the north bank of the Taramakau River and isjust to the south of Lake Poerua. Inchbonnie quarry has been operated by the West Coast Regional Council for approximately60 years and is a gazetted quarry, being Crown Land vested in the West Coast Regional Council for quarry purposes. The total land area of the quarry is approximately 3.76Ha including an access road.

Production History

Approximately 74,600 tonne of rock has been produced at Inchbonnie quarry over the last 5 years.

Resource Remaining

Assessed as having 359,000 tonne of rock (2021).

Figure 1. Inchbonnie Quarry

Camelback Quarry

Camelback quarry is in Kowhitirangi, a small rural settlement approximately 20km inland of Hokitika. The quarry is situated on the north-eastern slope of Mt Camelback at thejunction of Ford Road and McArthur Road.

Camelback quarry has been operated by the West Coast Regional Council for approximately 50 years on a Minerals Mining Permit area of 10.479 hectares of which is jointly owned by the West Coast Regional Council (8.505Ha) and T&C Elcock (2.24Ha).

Production History
Approximately 4,000 tonne of rock has been produced at Camelback quarry over the last 5 years.

Resource Remaining
Assessed as having 218,750 tonne of rock (2021).

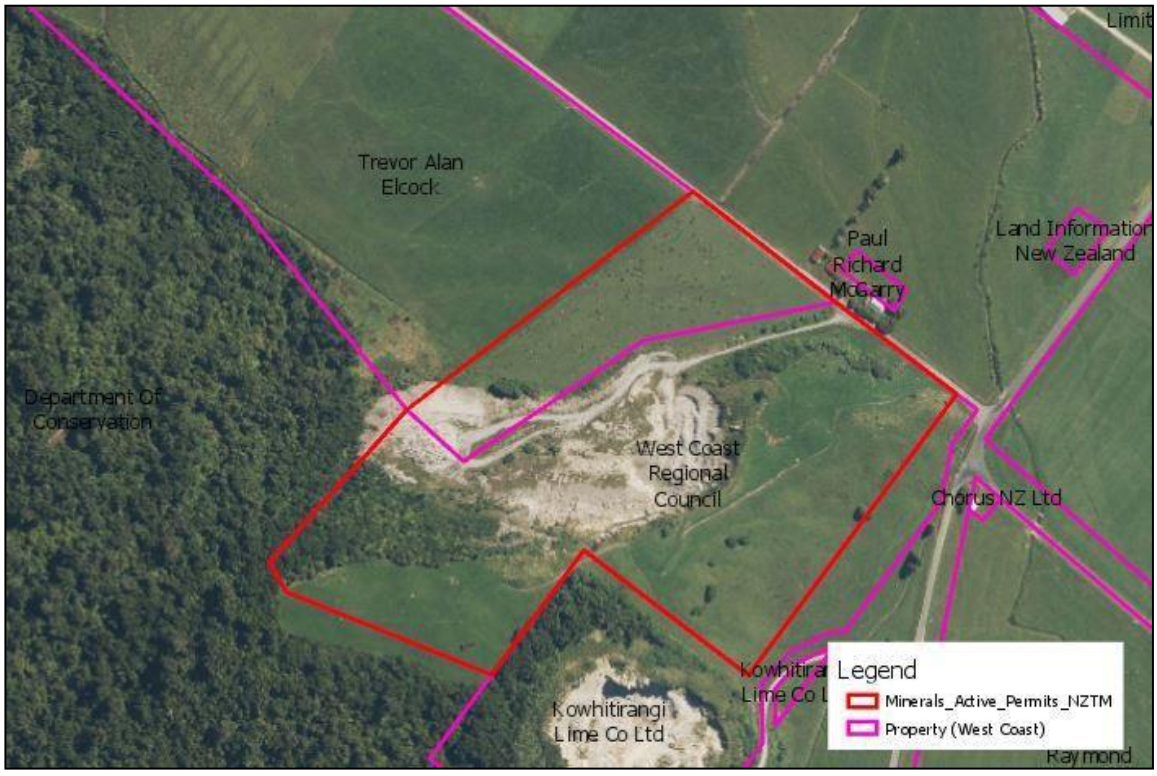

Figure 2. Camelback Quarry

Okuru Quarry

Okuru quarry is in Okuru**,** a small settlement approximately 12km south-west of Haast. The quarry is situated on Department of Conservation land, close to the Okuru ScenicReserve.

Okuru quarry has been operated by the West Coast Regional Council for approximately 46 years on a Minerals Mining Permit area of 6.65 hectares with the access arrangement covering 0.9 hectares (the current quarry footprint).

The current access arrangement is to be reviewed with the potential of extending the area to include the total permit area. This is subject to an ecological assessment and review by the Department of Conservation.

Production History
Approximately 8,000 tonne of rock has been produced at Okuru quarry over the last 5 years.

Resource Remaining
Assessed as having 104,000 tonne of rock (2021).

Figure 3. Okuru Quarry

Part B: Schedules to General Conditions of Contract

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Schedule 1 – Special Conditions of Contract – Specific Conditions of Contract

The Conditions of Contract shall be those included in the General Conditions of Contract - NZS 3910:2013 Conditions of Contract for Building and Civil Engineering Construction, and those amended as set out below

Clause numbers refer to the General Conditions.

3.1 Bonds

3.1 Contractor's Bond

3.1.1 A contractor's bond is not required by the Special Conditions of Contract.

3.2 Principal Bond

3.2.1 A principal's bond is not required by the Special Conditions of Contract.

4. Subcontracts

4.1.2 Retain 4.1.2, and in addition, the Contractor is to provide a list of the any Subcontractors named in the Contractor's tender using the form numbered as 5.1 List of Subcontractors.

5.3 Retain 5.3 and renumber as 5.3.1, and in addition, include, 5.3.2, the Contractor must employ the key personnel named in the positions nominated in the Contractor's tender or in the Special Conditions. The Contractor shall not remove any such key personnel from their stated position without the prior written consent of the Engineer whose consent shall not be unreasonably withheld, provided the Contractor replaces the relevant person with a person of equal or greater experience and ability.

5.14.1 All fossils, artefacts, coins, articles of value, or antiquity or things of geological or archaeological interest discovered on the site shall be deemed to be the absolute property of the Principal. The Contractor shall report to the Engineer the presence of any objects of this kind of which it has knowledge.

5.14.2 The Contractor shall take reasonable precautions to prevent his staff or any other person from removing or damaging such article or thing and shall immediately on discovery thereof and before removal inform the Principal who shall issue instructions as to disposal. Any cost incurred in removal shall be borne by the Principal and shall be treated as a Variation to this Contract.

12.3.1 No retention monies are required under the whole of the Contract Works or any separable portion.

15.1.6 Retain 15.1.6 and in addition, all correspondence between the Contractor and Principal shall be subsequently numbered and the Contractor shall maintain a correspondence log for both inwards and outwards correspondence. The format shall be agreed between the Principal and Contractor prior to the commencement of the contract. It shall include date received, subject, action required and response time (if appropriate).

Schedule 2 – Special Conditions of Contract – Other Conditions Of Contract

2.0 The Conditions of Contract shall be those in General Conditions of Contract, NZS 3910:2013 Conditions of Contract for Building and Civil Engineering Construction, and those amended as set out in Schedule 1: Specific Conditions of Contract. The Other Conditions of Contract are listed below.

2.1 Contract Duration

This contract shall remain in force for two (2) consecutive years commencing on the 30 July 2022 (the "Commencing Date") and ending on the 30 July 2024 subject to earliertermination as provided herein. A review will be conducted on or around the 19 May 2024 and the contract may be extended for a further two (2) years to a maximum of six (6) years. This contract shall be reviewed two (2) yearly on the anniversary of the commencing date.

2.2 Contract Relationship

The Principal is seeking a positive partnering relationship with the Contractor that recognises both parties' objectives. The Principal acknowledges the importance of treating the Contractor in a fair and equitable manner and in turn the Principal expects the Contractor to acknowledge their objectives, accept common goals and agree to standards of conduct and behavior which will ensure the desired outcomes are achieved.

One of the key implementation factors in delivering this contract is to transition the council quarries into best practice, high productivity quarries producing quality graded rock. Achieving this requires a contractor who is:

1. Able to undertake hard rock quarry extraction within an industry best practice environment and which is fully compliant with Worksafe New Zealand's requirements.

2. Can produce graded rock consistently to the required standard whilst optimising quarry production.

3. Able to follow the Quarry Management Plans and actively contribute advice and expertise which will ensure the longevity of each site.

4. Have the resources, competent staff, and flexibility to respond to changing circumstances and intermittent operations.

5. Able to deliver consistent value for money.

2.3 Tendered Price

Pricing shall include operational activities including the extraction, grading and stockpiling of rock including the stripping and stockpiling of overburden and waste material for future rehabilitation purposes, maintenance of access tracks, haul roads and the maintenance of edge protection bunds on benches and access tracks/haul roads. All operational activities must be in accordance with the respective Quarry Management Plan and must not be conducted in a manner that will compromise any future management plans. Operational activities include the management and maintenance of site access, signage, and security which all must be in accordance with the current Quarry Management and Operational Plan, and the relevant resource consents.

Pricing shall include management activities including the supply of suitably qualified personnel to ensure that the operations on-site are undertaken in a manner which is fully compliant with the Quarry Management Plans (including quarry inspections and reporting), Health and Safety Plan, Principal Hazard Management Plan(s), resource consents, relevant legislation, plans and guidelines, represents industry best practice and delivers whole of life best value for the Principal.

2.4 Contract Administration

To ensure a positive collaborative relationship prevails, that is fair and equitable to both parties,' the Contract will be administered so:

- Contract decisions are made mutually using fair and transparent processes, and both parties will operate with a "no surprises" framework and
- provide timely accurate responses to all issues as they arise.

2.4.1 Contract Meetings

Monthly contract meetings will occur when blasting or extraction is conducted, or otherwise as agreed, will be held to review progress, and address any extraction or contractual issues that may have arisen.
Minutes will be recorded and forwarded to the contractor within five working days after the meeting for action by the parties as appropriate.

Contractual Matters:
The Contractor shall not make any statements to the media regarding policy, facilities, or contractual matters whatsoever. All such matters shall be directed to the Principal. Under no circumstances shall the Contractor admit any Principal liability for any loss or damage suffered by a third party.

Communications with External Parties:
All contractual matters relating to the contract works are to be considered confidential between the Principal and the Contractor, and details of such shall not be discussed with anythird party with the express, written consent of the Principal.

2.5 Standard Specifications

Where reference is made in this specification to New Zealand, Australian, British or American Standard Specification, they shall be the current issues, complete with all amendments at the closing date for tenders.

2.6 Quality of Materials and Workmanship

The materials and standard of work employed in this contract shall be the best of their respective kinds either as specified or implied. The minimum accepted standard that shall apply is that equal to the appropriate New Zealand Standard, British Standard or New Zealand Transport Agency specification unless otherwise stated.

2.7 Health and Safety

The Contractor shall prepare and submit to the Principal a site-specific safety plan for the execution of the contract works.

The Contractor acknowledges the principal's requirement that the quarries be managed and always operated in accordance with industry best practice and is fully compliant with all relevant provisions of the Health and Safety at Work Act 2015 and the Health and Safety at Work (Mining Operations and Quarrying Operations) Regulations 2016, and subsequent amendments. The Contractor will take all practicable steps to ensure that no actions or inaction by the Contractor, result in the Contractors employees, subcontractors or members of the public being harmed while any work is being undertaken.

The Contractor, at all times, will ensure that each site is under the management and control of an A Grade Certified Quarry Manager and that all staff are trained and possess the required certificates of competency for the activities they are undertaking. The A Grade Certified Quarry Manager must provide evidence of continuous professional development to the Principal on an annual basis. This is to ensure that the A Grade Certified Quarry Manager retains an active Certificate of Competency.

2.8 Environmental Management

Resource Consents
All works undertaken on all sites shall be in accordance with the resource consents held for each site and industry best practice to avoid or mitigate any adverse environmental effects. The Contractor shall have regard to the effects of contract operations on the environment andin particular on air, water and soil and persons.
A copy of the resource consents held for each site is appended.

Control of Noise
The Contractor shall conduct work in accordance with the Health and Safety at Work Act 2015. The Contractor shall also co-operate with the local authority's noise control officers. Unless required otherwise by either the District Plan or resource consents, acceptable noiselevels shall be defined by NZS 6803P "Measurement and Assessment of Noise from Construction, Maintenance and Demolition Work." The requirements of the District Plan in respect of noise levels, shall where applicable, take precedence.

All plant and equipment used by the Contractor on the contract works shall be effectively sound attenuated by means of silencers, mufflers and acoustic linings, sheds, or screens. All plant and equipment shall be maintained in good order and operated zero minimize noise emissions. Any plant or equipment in intermittent use shall be shut down or throttled down when not in use. Plant and equipment, as far as practicable, shall be located away from areasoccupied by others and, in particular, residential areas.

Control of Dust
The Contractor shall take all necessary measures to prevent dust nuisance to adjacent properties, crops, pedestrians, and road traffic. Allowances shall be made for water sprayingof the contract area together with any other approved methods the Contractor may wish to employ. Should a dust nuisance be created, and the Contractor's remedial measures be insufficient then the Principal may direct that all work shall cease until effective measures have been taken by the Contractor.

Control of Vibration
Construction activities shall be executed in such a manner that vibrations arising shall not cause damage to adjacent structures and property.

Minimum distances for work near electricity lines
All works in the vicinity of electricity lines shall be conducted in full compliance with the Electricity Act 1992, Electricity Safety Regulations 2010, and the Electricity Code of Practice No.34 (NZECP 34). The minimum working distances detailed in NZECP 34:2001 shall be observed in all cases.

3.0 Delivery of the Contract

These documents have been prepared on the basis that:
1. The price will be fair and equitable for all parties.
2. Contract decisions will be made mutually using fair and transparent processes.
3. Both parties will operate with a 'no surprises' framework and provide timely accurate responses to all issues as they arise.
4. Areas of risk and uncertainty are identified and assigned to the party best able to manage that risk.

3.1 Tender Queries

The Principal's nominated representative for technical queries, and the Engineer's Representative related to each quarry is Keri Harrison,

Technical Representative:	Keri Harrison
Position:	Engineer's Representative
Mobile:	027 3787787
Email:	tuicreekconsulting@outlook.com

The Principal's nominated Engineer for all other queries is TBC.

Principals Engineer	TBC
Telephone:	
Mobile:	
Email:	

Any queries during the tender period may be directed in the first instance to Keri Harrison, Tui Creek Consulting Ltd.

Part C: Conditions Of Tendering

3.2 This contract is administered as a NZS 3910 contract. The Conditions of Tendering included in NZS 3910:2013 Conditions of Contract for Building and Civil Engineering Construction, are amended as set out herein.

Clause numbers refer to the General Conditions.

102.2 Tender Document Deposit

A Tender Document deposit is not required.

103. Tenderers to inform themselves

103.1 Each tenderer shall be deemed to have inspected all sites, examined the tender documents and any other information supplied in writing, and to have satisfied itself as far as is practicable for an experienced contractor before tendering as to the correctness and sufficiency of its tender for the Contract Works and of the prices stated in its tender.

A valid tender submission requires a site visit to Camelback and Inchbonnie quarry. This will be conducted on **TBC commencing at XX on XX** and moving onto Inchbonnie quarry from there. It is a requirement as part of tendering to attend this site inspection. Appropriate PPE are compulsory for this site visit. If the Tenderer wishes to visit Okuru quarry, this can be arranged accordingly.

104. Ambiguities in Tender Documents

104.1 Where the Tender Documents issued to prospective tenderers are ambiguous or unclear to a tenderer, the tenderer may request the issue of an explanatory notice. If an explanatory notice is issued, it shall be sent to all tenderers and shall upon issue become part of the Tender Documents.

Where the Principal is requesting clarification from a Tenderer, a failure of the Tenderer to respond to a request for clarification, correction, or confirmation of tender information within one working day will render the tender non-confirming. Records of communications between the Principal and the Tenderer concerning these matters shall be retained for audit purposes.

105. Submission of tenders

105.1 Tenders will close at the time and place stated below.

Physical tenders may be submitted in the tender box located at the West Coast Regional Council office at 388 Main South Road, Greymouth on or before the closing date and time given in.

Electronic tenders can be submitted via the New Zealand Government Electronic Tenders Service (GETS) listed under West Coast Regional Council Contract 2022-1 Quarry Management and Operation.

Tenders submitted by facsimile machine will not be accepted.

Late tenders shall not be considered and shall be returned unopened unless it can be shownto the Principal's satisfaction that all reasonable steps were taken to ensure the tender was submitted on time, and that the late submission was beyond the tenderers control.

105.3 Form of Tender

Supplementary information required to be submitted with the tender is:

- Non-Price Attributes:
  - Relevant experience and track record
  - Schedule of personnel including nominal role, relevant qualifications, and statement of experience
- Health and Safety Plan (including hazard identification and Risk Assessments, Explosives Principal Hazard Management Plan, and an Environmental Management (including fuel/pollutant spill procedure) Plan.

- Signed Tender Form
- Priced Schedule of Prices
- Completed Dayworks Schedule
- Signed Acknowledgement of Health and Safety Obligations
- Confirmation from broker or insurer that the insurances as set out in the Schedules will be provided; and
- List of subcontractors.

106. Acceptance of tender

106.1 The lowest priced or highest scoring or any tender will not necessarily be accepted. The Principal may negotiate with any tenderer and may accept any or more than one tender from any tenderer.

106.2 The successful tenderer shall be notified in writing within ten working days on the closing ofthe tender by the Principal, that its tender has been accepted.

107. Tender Evaluation

107.1 Tenders will be evaluated in accordance with the Simplified Weighted Attribute Method as is described in the NZTA Procurement Manual.

Tenders will be evaluated using a weighting of 60% Price to 40% Non-Price Attributes.

Non-Price Attributes will be weighted by:

Methodology	10%
Relevant experience and track record	20%
Relevant skills and resources	20%
Health and safety	20%
Management skills	30%

The management and Operation of the West Coast Regional Principal quarries by the contractor must demonstrate that they have:

1. The lowest price,
2. Scored the highest of all bidders in terms on non-price attributes,
3. The site knowledge and experience supported by resources to consistently produce graded rock which meets specifications,
4. Systems and procedures which ensure all staff are trained and possess the required certificates of competency to ensure compliance with Worksafe New Zealand requirements and the relevant legislation; and
5. Industry wide expertise in operating hard rock quarries which can be applied to the West Coast Regional Council quarries.

<u>Non-price attribute definitions</u>

Methodology – The procedures the Contractor proposes to use to achieve the specified end result.

Relevant experience – The Contractor’s previous experience in areas relevant to the outputs being produced.

Track record – The Contractor's record of delivering works or services to the quality standards required, on time and within budget.

Relevant skills – The competence of the personnel that the Contractor proposes to use, with regard to their skills and experience in areas relevant to the outputs being purchased.
Resources – The equipment, including facilities and intellectual property that the Contractor proposes to use to deliver the outputs supported by industry wide expertise in operating hard rock quarries which can be applied to the West Coast Regional Council quarries.

Health and Safety – The systems and procedures which ensure all staff are trained and possess the required certificates of competency to ensure compliance with Worksafe New Zealand requirements and the relevant legislation.

Management Skills – Strong leadership and management skills and industry wide expertise in operating hard rock quarries which can be applied to the West Coast Regional Council quarries.

Tenders will be evaluated by (TBC). The winning tenderer will be notified by (TBC) no later than 5.00 pm. Unsuccessful tenderers will be notified in writing by (TBC)

108. Notification of acceptance

108.1 If no tender has been accepted within 8 weeks after the closing of tenders, each tenderer shall be notified in writing by the Principal whether its tender is or is not still under consideration.

108.2 Unsuccessful tenderers who have submitted bona fide tenders complying with the Tender Documents shall be notified by the Principal of the tender price of the successful tenderer and the other tender prices within ten working days of acceptance of the successful tender.

Part D: Tender Documents

4.0 Tender Form

C2022-1

Okuru, Camelback and Inchbonnie Quarry Operation and Management

Principal: West Coast Regional Council

Address: 388 Main South Road
PO Box 66
Greymouth 7840

We, the undersigned, having examined the Tender Documents for C2022-1 – Okuru, Camelback and Inchbonnie Quarry Management and Operation, offer to supply, construct, complete and maintain the whole of the said Contract Works in conformity with the Schedule of Prices (section 4.1) and these Tender Documents.

Attached hereto is a priced Schedule of Quantities showing how the above sum is made up. Annexed hereto is:

- Signed Tender Form
- Priced Schedule of Prices
- Signed Acknowledgement of Health and Safety Obligations
- Confirmation from insurer or broker that the insurances as set out in the Schedules will be provided
- Non-Price Attributes

We have inspected the sites, understand site conditions including effects of adjoining properties, and have allowed for all conditions which we, as an experienced Contractor, foresee at the time of tendering.

Unless and until a Contract Agreement is prepared and executed by the parties, this tender together with your written acceptance thereof, shall constitute a binding contract between us.

Signature:_____ Position:_____

Tenderer:_____

Address:_____

Phone No: _____

5.0 Schedule of Prices

C2002-1
Okuru, Camelback and Inchbonnie Quarry Management and Operation
West Coast Regional Council

Preliminary and General

The Contract is a measure and value contract (Clause 2.3 NZS 3910:2013) OR a Lump Sum Contract (Clause 2.2 NZS 3910:2013).

Provide all plant, labour, materials, explosives, temporary works, and other equipment necessary to conduct the works in accordance with the specifications.

Pricing includes:

1. **Quarry Operational activities** include the extraction, grading and stockpiling of rock including the stripping and stockpiling of overburden and waste material for future rehabilitation purposes, maintenance of access tracks, haul roads and the maintenance of edge protection bunds on benches and access tracks/haul roads. Operational activities also include the management and maintenance of site access, signage, and security which all must be in accordance with the current Quarry Management and Operational Plan, and the relevant resource consents.

2. **Quarry Management activities** include the supply of suitably qualified personnel to ensure that the operations on-site are undertaken in a manner which is fully compliant with the Quarry Management Plans (including quarry inspections and reporting), Health and Safety Plan, Principal Hazard Management Plan(s), resource consents, relevant legislation, plans and guidelines, represents industry best practice and delivers whole of life best value for the Principal.

Item No	Description	Unit	Quantity	Rate	Total
1.	**Quarry Operational Activities**				
1.1	**Okuru**				
1.1.1	0-1,000	Tonne	500		
1.1.2	1,001-5,000	Tonne	2500		
1.1.3	5,001+	Tonne	7500		
1.2	**Camelback**				
1.2.1	0-1,000	Tonne	500		
1.2.2	1001-5000	Tonne	2500		
1.2.3	5001+	Tonne	7500		
1.3	**Inchbonnie**				
1.3.1	0-1,000	Tonne	500		
1.3.2	1,001-5,000	Tonne	2500		
1.3.3	5,001+	Tonne	7500		
2.	**Quarry Management Activities**				
2.1	Okuru	Month	24		
2.2	Camelback	Month	24		
2.3	Inchbonnie	Month	24		
		Total (excluding GST)			

Signature:_____ Position:_____

Tenderer: _____

Address: _____

5.1 List of Subcontractors

C2022-1
Okuru, Camelback and Inchbonnie Quarry Management and Operation
West Coast Regional Council
PO Box 66
Greymouth 7840

Subcontractor	Address	Work to be Undertaken

Signature:_____ Position:_____

Tenderer:_____

Address: _____

5.2 Information on Public Liability Insurance (Schedule 9 NSZ 3910:2013)

The tenderer must have public liability insurance for no less than five million dollars. Proof of insurance must be submitted annually to Council by 1 June.

TO: West Coast Regional Council
PO Box 66
Greymouth 7840

From	*Name of Insurance Company*
	Branch
	Address

We confirm having effected public liability insurance to indemnify the Principal and the Contractor against legal liability to third parties for damage, loss or injury caused by an act or omission of the Contractor arising out of the performance of the Contract Works.

		(The Contractor)
West Coast Regional Council		*(The Principal)*
In Respect of	**C2022-1 Okuru, Camelback and Inchbonnie Quarry Management and Operation.**	*(Project Title)*
Policy wording title is		
We advise that "additional" terms, copy attached have been specifically applied to this project		Yes / No

The following provisions apply:

	Annual Policy
	Project Specific Policy

Policy expiry date:

8.5, 8.9

The limit of indemnity (GST exclusive)	$
Sub-limit insured (GST exclusive)	$
Vibration, removal or weakening of support	$
Forest and Rural Fires Act 1977	$
Underground Services	$
Deductible for vibration, removal, or weakening of support (GST inclusive)	$
Deductible for underground services (GST inclusive)	$

The policy also covers liability arising out of:

The ownership/use of Plant not required to be registered for road use	Yes / No
The use of Hired Plant	Yes / No
The ownership/use of watercraft over 8 m	Yes / No
The ownership/use of aircraft	Yes / No
The use of explosives	Yes / No

8.2, 8.7

Policy cover terms included are:

Reinstatement provisions	Yes / No
Number of reinstatements	
Discretionary cancellation clause	Yes / No
Void *ab intio* for non-payment of premium without prior notification	Yes / No
Severally insured	Yes / No
No settlement delay due to exercise of subrogation	Yes / No

We undertake that this policy will not be cancelled or amended by us without written notice to the insured party which has arranged the insurances.

This insurance issued is subject to the terms and conditions of the policy. We do not warrant that this policy complies with the requirements of NZS 3910:2013.

Insurance Company Stamp Date

(Or name of insurance broking company confirming cover)

SIGNED BY:

SIGNATORY TITLE:

(Clause numbers refer to NZS 3910:2013 and are for information only)

5.3 Information as to the Contractor arranged Plant Insurance (Schedule 8 NZS 3910:2013)

TO: West Coast Regional Council
PO Box 66
Greymouth 7840

From	*Name of Insurance Company*
	Branch
	Address

We confirm having effected Plant insurance for:

(The Contractor)

In Respect of	**C2022-1 Okuru, Camelback and Inchbonnie Quarry Management and Operation.**	*(Project Title)*

Policy wording title is

We advise that special terms, copy attached, have been applied to this policy Yes / No

The following provisions apply:

☐ Annual Policy

☐ Project Specific Policy

Policy expiry date:

8.4

The sums insured are (GST exclusive)

☐ All items of Plant Sum insured $

OR

☐ Valued schedule of construction plant insured (copy attached)

This policy deductible (GST inclusive is) $

Policy cover terms included are:

8.2.2	Discretionary cancellation clause	Yes / No
8.2.3(a)	Reinstatement provision	Yes / No
8.2.4	Void *ad intio* for non-payment of premium without prior notification	Yes / No
	No settlement delay due to exercise of subrogation	Yes / No

We undertake that this policy will not be cancelled or amended by us without written notice to the insured party which has arranged the insurances.

This insurance issued is subject to the terms and conditions of the policy. We do not warrant that this policy complies with the requirements of NZS 3910:2013.

Insurance Company Stamp	Date
Or name of insurance broking company confirming cover	

SIGNED BY:

SIGNATORY TITLE:

(Clause numbers refer to NZS 3910:2013 and are for information only)

5.4 Information as to the Contractor's Motor Vehicle Insurance (Schedule 10 NZS 3910:2013)

TO: West Coast Regional Council
PO Box 66
Greymouth 7840

From	*Insurance Company*
	Branch
	Address

We confirm having effected motor fleet insurance for

(The Contractor)

In Respect of	**C2022-1 Okuru, Camelback and Inchbonnie Quarry Management and Operation.**	*(Project Title)*
We advise that special terms, copy attached, have been applied to this policy		Yes / No

The following provisions apply:

	Annual Policy
	Project Specific Policy

Policy expiry date:

8.5.2

The limits of liability are (GST exclusive)

Section 2 – Liability

For a one occurrence arising out of the same event $

The policy deductibles are:

Section 2 – Liability (GST inclusive) $

Plus underage penalties

8.2

Policy cover terms included are:

Section 2 Liability automatic reinstatement	Yes / No
Discretionary cancellation clause	Yes / No
Void *ad intio* for non-payment of premium without prior notification	Yes / No
No settlement delay due to exercise of subrogation	Yes / No

We undertake that this policy will not be cancelled or amended by us without written notice to the insured party which has arranged the insurances.

This insurance issued is subject to the terms and conditions of the policy. We do not warrant that this policy complies with the requirements of NZS 3910:2013.

Insurance Company Stamp	Date
Or name of insurance broking company confirming cover	

SIGNED BY:

SIGNATORY TITLE:

(Clause numbers refer to NZS 3910:2013 and are for information only)

Part E: Contract Specifications

6.0 Preliminary and General

This contract involves the management and operation of three of the West Coast Regional Council quarries, Okuru, Camelback and Inchbonnie, including the winning, grading and stockpiling of Armour Grade Protection Rock (AGPR) used for capital and maintenance works in Special Rating Districts and other rivers and streams in the wider West Coast region.

Operational activities include the extraction, grading and stockpiling of rock including the stripping and stockpiling of overburden and waste material for future rehabilitation purposes, maintenance of access tracks, haul roads and the maintenance of edge protection bunds on benches and access tracks/haul roads. All operational activities must be in accordance with the respective Quarry Management Plan and must not be conducted in a manner that will compromise any future management plans. Operational activities include the management and maintenance of site access, signage, and security which all must be in accordance with the current Quarry Management and Operational Plan, and the relevant resource consents.

Management activities include the supply of suitably qualified personnel to ensure that the operations on-site are undertaken in a manner which is fully compliant with the Quarry Management Plans (including quarry inspections and reporting), Health and Safety Plan, Principal Hazard Management Plan(s), resource consents, relevant legislation, plans and guidelines, represents industry best practice and delivers whole of life best value for the Principal.

6.1 Rock Extraction, Stockpiling and Grading

Rock is used on various Special Rating Districts and for private use throughout the West Coast Region. The objective of this specification is to document a consistent approach for extraction and grading of rock to be used by the West Coast Regional Council for river protection works in the wider West Coast area. This will ensure high quality and consistent protection measures are implemented which will provide confidence that the required design standard is achieved over the design life of the various protection works.

6.1.1 Rock Extraction

Rock extraction from all quarries must be in accordance with the respective Quarry Management Plan and/or rehabilitation plan and must not be extracted in a manner that will compromise any future extraction plan. All rock extraction plans must be agreed to by the Principal.

Rock extraction requires the rock to be pulled out of the face with the rock that fits the grading requirements being separated and stockpiled on the quarry floor into graded stockpiles. The rubble is to be placed in a separated stockpile.
Stockpiles must be constructed in such a way that will facilitate physical measurement should this be required i.e., parallel even sides, consistent height, consistent slope angle etc.

Careful quarry face management is required to optimize yield and ensure that grading can be achieved consistently. The Contractor shall extract rock in a manner that maximises quarry yield and optimises the achievement of the required grading. The importance of good rock grading cannot be over emphasised. A good grading will provide robust lining and make construction easier.

Armour Grade Protection Rock Size Specification

10%	4.5 +	Tonne
50%	3-4.5	Tonne
30%	1.5-3	Tonne
10%	.25 – 1.5	Tonne

6.1.2 Stockpiling of Rock and Waste

Inchbonnie Quarry
At Inchbonnie Quarry the AGPR will be stockpiled on the main floor quarry area away from the working faces and toward the western aspect of the quarry boundary. Quarry waste at this quarry will need to be placed in layered lifts not exceeding 600mm extending to the quarry boundary limits to the north and west of the permit area. Waste material can also be placed in edge bunding, safety exclusion zones, haul road bunding and at any potential rollover or terminal drop-off zone.
AGPR will stockpiled in the clear area immediately to each side of the working faces and while in stockpile can function as edge bunding in these locations.

Camelback Quarry
At Camelback Quarry AGPR can be placed immediately behind the main working face as it is retreated toward the southwest once it has been broken out and graded. The stockpile location will follow the breakout zone as the face retreats to the southwest.
Quarry waste will be used in bench and haul road edge bunding wherever possible and necessary to improve over quarry safety. Once the safety bunding has been constructed to the extent possible, waste will then need to be transported to the waste material tip head where lifts should be restricted to 600mm maximum each before track rolling.

Okuru Quarry
Okuru quarry is set out as a typical multilevel side hill quarry configuration with a series of benches with the direction of face retreat currently from west to east. In any future development it is intended to continue this direction of retreat with face heights limited to 8m.

6.1.3 Grading Tests
The Engineer may request a grading test to be conducted on any load of rock. The identified load shall be spread out in an area agreed to by both the Principal and Contractor. All rocks forming the test load will be measured to determine their size under the supervision of the Principal.

6.1.4 Stripping and Disposal of Overburden

Vegetation Removal
All coarse vegetation within the limits of the agreed area to be stripped shall be removed and disposed of on-site, in such a manner that it will not impede future workings or require re-handling.

Topsoil Stripping
Any topsoil that is being stripped of overburden in future work shall be excavated, removed, and stockpiled in the overburden disposal area or within the limits of an agreed area. It shall be stockpiled so that it can be used as cover material when remediation occurs.

Overburden Excavation and Disposal
Any overburden shall be excavated in a manner that minimizes the contamination of the overburden with rock and shall be disposed of in the overburden area. Any overburden material which is suitable for use to rehabilitate the quarry area shall be separately stockpiled for future use.

6.1.5 Rock Sales

The Principal manages all rock or waste sales. The Contractor shall not produce and/or on-sell any rock or waste material or any product from any quarry without prior written approval from the Principal.

6.1.6 Tally Requirements

The Contractor shall nominate the weighing method intended to be used for the Contract and provide details of the load docket system that will be used to track individual loads uplifted from the quarry and placed in stockpile. The proposed weighing method must:

- Have a current Certificate of Accuracy issued by an accredited person in terms of the requirements of Regulation 15F of the Weights and Measures Regulations 1987.
- Have a capacity, location, and docket issue system suitable for the purpose, to thesatisfaction of the Principal.
- Can be independently audited and verified.

Each load uplifted from the quarry and placed in stockpile shall be certified by a docket signed by the weighing operator. Dockets shall clearly indicate the date of issue, the delivery vehicle (company name and number or other clear identification), gross weight and net load weight.

The Contractor shall supply copies of the dockets with the relevant payment claim. No payment will be made without the supporting dockets.

6.2 Compliance with Resource Consents and Management Plans
Attached as an appendix are:

a. Resource Consents held
b. Inchbonnie Quarry Management Plan
c. Camelback Quarry Management Plan
d. Okuru Quarry Management Plan

The Contractor should be aware of and comply with the provisions of these consents andplans.

6.3 General Site Maintenance

For the duration of the contract the contractor will be responsible for all general site maintenance, including signage, site security, cleaning of ablution areas and access.

Development and Implementation of Site-Specific Health and Site-Specific Safety Plan:

The hazards to be managed on site include:

a. Prevention of unauthorised site access
b. Operation of plant and machinery
c. Quarry face management
d. Explosive management
e. Stockpile management
f. Tip head management
g. Disposal area management
h. Use of personal protective equipment

All work undertaken on site will follow the following as applicable and relevant:

a. Health and Safety at Work Act 2015
b. Health and Safety at Work Regulations (General Risk and Workplace Management) 2016
c. Health and Safety at Work (Mining Operations and Quarrying Operations) Regulations 2016, and subsequent amendments
d. Hazardous Substances and New Organisms Act 1996, and Hazardous Substances and New Organisms Amendment Act 2003
e. MinEx Guidelines
f. Health and Safety at Opencast Mines, Alluvial Mines and Quarries (while this guidance has not been updated to reflect current work health and safety legislation (the Health andSafety at Work Act 2015 and regulations), it still contains relevant information and practices to keep workers and others healthy and safe.)
g. West Coast Regional Council Quarry Health and Safety Plan 2018
h. Worksafe Guidelines and Codes of Practices.

All the relevant provisions and procedures will be incorporated into a site-specific Healthand Safety Plan.

6.4 Subcontractors

The contractor is solely responsible for agreeing with any Subcontractors that they may engage in the contract and obtaining their agreement to comply with the conditions and requirements of the contract.

The Contractor shall supply a list of all subcontractors intended to be used to the Engineer at the time of tender. This list shall form part of the contract documentation. The following information shall be supplied by the Contractor in writing with any request to use a subcontractor:

- Name of subcontractor and company experience.
- List and experience of personnel to be used.

The Engineer reserves the right to reject the use of any specific contractor that hefeels does not meet or will not implement the work to the standards required.

6.5 Contractor's Personnel

The Contractor shall ensure that at all times during the contract period a Contractor'srepresentative is appointed and empowered to work on behalf of the Contractor.

The Contractor's representative shall be authorized to receive on behalf of the Contractor any Instructions from the Engineer. All work shall be conducted under the supervision of the Contractor's representative.

6.6 Hours of Work

No work shall be conducted on the site before 7.00 am or after 7.00 p.m. Monday to Saturday approvals will not be unreasonably withheld. These provisions do not apply in the event of any emergency mobilisation on site.

6.7 Care of Works

The care of works shall be the responsibility of the Contractor. The Contractor shall be responsible for all damage including damage to weather, careless or incompetent workmanship and handling, defective materials, or any other cause from the date of commencement until the handing over of the completed works.

6.8 Site Access and Rights of Entry

The work site boundaries, stockpile areas, access to and from the work site and areas foramenities and vehicle parking are defined in the existing Quarry Management Plans.

6.9 Establishment

The Contractor shall allow for establishment to cover all the costs of setting up facilities,providing resources, and putting in place insurances, bonds and the like necessary to service the works as described in the contract documents.

6.10 General Site Maintenance

For the duration of the contract the Contractor will be responsible for all general site maintenance, including signage, site security, cleaning of ablution areas and access.

6.11 Maintenance of Haul Roads

The Contractor, for the duration of the contract, will be responsible for the maintenance of thehaul roads in a sound, fit for purpose condition. No loss of shape, rutting or soft spots shall bepermitted to develop.

6.12 Services

The Contractor is responsible for identifying all services and the prevention of damage to any services associated with the contract works. Work shall be planned carefully and conducted to minimise disruption or damage of services. To assist the Contractor, the Principal has marked up drawings of the existing sites with the location of all known services. This does notalleviate the need for the Contractor to undertake their own checks and to physically locate allservices on the ground.

6.13 Supply of Plant, Equipment and Materials

The Contractor shall supply all plant, equipment, and materials necessary to satisfactorilyundertake the works defined within this contract.

All materials shall comply with the relevant New Zealand standards.

Plant or equipment that is leaking oil or fuel shall be removed immediately by the Contractor to an area wherethe leak can be contained and disposed of and shall not be employed on the works until theoil leakage is repaired.
The sizing of loader buckets, grader blades and digger buckets, shall always be suitable forthe length and width of excavations on which they are being used. Over excavation to suit the sizing of available equipment is not acceptable, and any costs arising shall be borne by and be the Contractor's sole responsibility.

6.14 Contractor's Amenities and Establishment

The Contractor shall be responsible for the provision of all amenities, for its workers and forthe construction of the works. No facilities will be made available by the Principal.

6.15 Antisocial Behavior

At all times, the Contractor shall ensure that their staff and Subcontractors respect the environment in which they are working by avoiding antisocial behavior such as the use ofoffensive language, loud radios, inconsiderate parking of vehicles etc.

6.16 Allowance for Inclement Weather

The Contractor shall be responsible for the protection of works during inclement weather. The Contractor shall ensure that works are not hindered due to inappropriate equipment and/or inappropriate use during inclement weather.

Part F: Basis of Payment

7.0 Basis of Payment

This Contract is a measure and value contract.

7.1 Monthly Claims

The monthly claim shall be submitted along with the load dockets and other no later than five working days after the start of each month. The monthly claim shall identify items of work conducted for the claim period.
Each report shall include:

a. Details of the Contractor's personnel and plant on site for the report period.
b. Any problems encountered during extraction at the site.
c. Safety records, including details of any hazardous incidents and activities relating to environmental aspects and public relations. Copies of any audits, including quarry inspections, undertaken during the period shall also be included.
d. Details of any events or circumstances which may jeopardise the execution of works agreed, and proposed measures being adopted to overcome these potential delays.
e. The management fee will be paid monthly.

7.2 Goods and Services Tax (GST)

All prices and payments made under the Contract shall be in New Zealand currency and payable in New Zealand. All schedule items are to be completed exclusive of goods and services tax, which is to be added and paid where appropriate. The Contractor shall supply their registered GST on award of the contract.

7.3 Cost Fluctuations

Cost fluctuation is provided for the Principal to recognize the variability in fuel prices and labour rates. Appendix A – NZS3910:2013 will be used to calculate cost fluctuation, with the first review occurring **12 months after the award of the contract**, and thereafter annually. The Principal acknowledges the potential volatility of fuel and would receive submissions on this ifit became an issue and would respond in a fair and equitable manner to such representations.

7.4 Fees

All fees in relation to the administration of Okuru, Camelback and Inchbonnie quarries including those by Crown Minerals, New Zealand Petroleum and Minerals, Department of Conservation and any Regional and District Council will be paid for by the Principal.

Report to: Council	**Meeting Date: 28 June 2022**
Title of Item: Draft Annual Plan 2023	
Report by: Heather Mabin, Chief Executive	
Reviewed by:	
Public excluded? No	

Report Purpose

The purpose of this paper is to table to Council the Draft Annual Plan 2023 for adoption.

Report Summary

In line with the requirements of the Local Government Act 2002 (the Act), the Executive Leadership Team have reviewed the budget for Year 2 (Yr 2) in the Long-term Plan 2021-31 (the LTP). The results from this review are tabled for Council consideration.

Recommendations

It is recommended that Council resolve to:

1. *Note that the Annual Plan 2023 has been developed in accordance with the requirements of the Local Government Act 2002; and*
2. *Note the Schedule of Fees and Charges for 2002 as attached effective from 1 July 2022; and*
3. *Adopt the Annual Plan 2023; and*
4. *Authorise the Chief Executive to make inconsequential amendments as required.*

Issues and Discussion

Background

In October 2021, Council adopted to LTP which included budgets for the 10 years of the Plan. Under section 95 (5) of the Act, the purpose of the Annual Plan is to:

(a) Contain the proposed annual budget and funding impact statement for the year to which the annual plan relates; and

(b) Identify any variation form the financial statements and funding impact statement included in the local authority's long-term plan in respect of the year; and

(c) Provide integrated decision making and co-ordination of the resources of the local authority; and

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

As part of the budgeting process undertaken in 2021 for the LTP, the authors of the budgets were advised that the way payroll costs were to be processed from 1 April 2021 would change. The was a necessary change in the flow of financial information for the successful transition from Authority payroll system to Datapay. From a financial reporting aspect, this meant that payroll costs would be centered in the business unit that Staff were employed in therefore providing greater transparency around and accountability for these costs.

The budgeted amount for Employee Benefits is $6.5M in 2023. A separate paper covering this spend is presented in the public excluded portion of the meeting.

Current situation

Change to the Structure of the Budget

The review of the structure of the budget in LTP Yr 2 established that employment costs had not been budgeted in a manner that aligned to the flow of information from Datapay to the various business units. The flow-on impact from this is that Overhead allocation within Council is primarily driven by share of Salaries and Wages in each business unit, the exceptions being:

- Te Tai o Poutini have a set annual Overhead allocation of $150,000
- VCS is not allocated Overhead but " pays" rent $24,000 per annum.

Therefore, the significant change in AP2023 is an internal reporting change; budget has been realigned to match the way that actual employee costs will be recorded. The amount spent on Employee Benefits is a significant amount, please see paper in public excluded.

The realignment has created movement between Expenditure lines, see Table 2 below. The impact of the movement in Employee Benefits and Overheads is summarised as:

- Community Resilience increase Employee Benefits & OH $110K
- Regional Leadership decrease Employee Benefits & OH ($126K)
- Hydrology increase Employee Benefits & OH $258K
- Resource Management decrease Employee Benefits & OH ($98K)
- River, Drainage & Coastal Protection increase in Employee Benefits $382K
- Transport decrease in Employee Benefits ($11)
- Decrease in budgeted Employee Benefits of ($50K) and Corporate Services Overhead allocation decrease ($347K)

By addressing this structural change in AP2023, there will now be greater clarity around total costs for Managers and greater accountability.

Annual Budget in AP2023

At the June meeting, Council clarified that Fees & Charges and Rates increases for 2023 were to be in line with the adopted LTP. In addition, Council approved the unspent Capital Expenditure to be carried forward from 2022 to 2023 plus revised 2023 capital expenditure in LTP Yr 2.

The Revenue proposed in AP2023 is $32M in comparison of $22.1M in LTP Yr 2, an increase of $9.3M. This increase is composed predominantly of the following items:

- Increase in *Subsidies & Grants*:
    - Carried forward unspent IRG Project capital expenditure will increase in by $8.6M
    - Successful application to the Resilience Fund for $0.3M for funding CDEM Projects (Fuel storage and alternate Communications)
- Increase in *User Fees & Charges*
    - Additional VCS contract for $03M increases
    - Monies to be received from DOC for $0.7M for the Whitebait Fisheries Project

Table 1: Revenue Extract from AP2023

LTP 2021/22		AP 2022/23	LTP 2022/23
	Revenue		
8,051,200	Rates	9,074,037	9,091,044
13,114,894	Subsidies & Grants	13,930,358	5,224,425
6,838,618	User Fees & Charges	8,196,479	7,038,577
35,000	Revaluation of Investment Property	161,906	36,521
712,888	Investment Income	665,925	713,588
28,752,600	Total Revenue	32,028,705	22,104,155

The Expenditure proposed in AP2023 is $20.3M in comparison of $17.3M in LTP Yr 2, an increase of $3M. This increase is composed predominantly of three new items:

- Inclusion of Immediate Maintenance work on Organs Island and Scour $2.6M in *River, Drainage & Coastal Protection* currently funded by Council.
- Whitebait Fisheries Project $0.7M in *River, Drainage & Coastal Protection* fully funded by DOC
- Expenditure for Resilience Fund $0.3M in *Community Resilience* fully funded by NEMA.

Table 2: Expenditure Extract from AP2023

	Expenditure		
1,432,660	Community Resilience	1,575,455	1,361,499
682,755	Regional Leadership	679,150	744,456
1,054,840	Hydrology & Flood Warning Services	1,304,158	1,057,882
7,969,808	Resource Management	6,956,171	7,072,727
2,855,440	River, Drainage & Coastal Protection	6,610,712	2,865,382
180,179	Transport	168,247	180,018
3,982,000	Vector Control Services Business Unit	3,081,840	4,073,586
18,948	Other	3,185	17,748
18,176,630	Total Expenditure	20,378,918	17,373,298
10,575,970	**Net Surplus**	11,649,787	4,730,857

Considerations

Implications/Risks

Should Council decide not to adopt AP2023, Council will not meet its Statutory deadline of 30 June 2022.

Significance and Engagement Policy Assessment

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

Attachments

Attachment 1: *Schedule Fees & Charges 2023*

Attachment 2: *Draft Annual Plan 2023*

USER FEES AND CHARGES SCHEDULE

Abstract

This document sets out the West Coast Regional Council's user fees and charges for the 2022/23 financial year

30 June 2022

Contents

Introduction

The user fees and charges schedule is reviewed annually. Fees and charges that require formal adoption under section 150 of the Local Government Act 2002 may be consulted on in conjunction with a long term or an annual plan. The fees set out in this schedule will come into effect on adoption of the Annual Plan 2023 and will continue until superseded. A copy of this User Fees and Charges Schedule will also be published on Council's website.

These User Fees and Charges take effect from 1 July 2022.

Councils are permitted to collect fees from private users of public resources, and to recover all or a portion of the costs for a range of services it performs in relation to those resources.

The law acknowledges that some of the costs associated with administering the private use of public resources have a community benefit, and should therefore be met from the general rate. For example, the West Coast Regional Council (the Council) grants resource consents that allow organisations and individuals the private benefit to use public resources such as air, water or the coast. Where the benefits associated with consents are solely to applicants, they pay the associated costs in full. Where benefits accrue more widely – such as in the case of environmental monitoring – then a portion of the costs is met through rates.

This document sets out the policies, fees and charges that are collected by the Council from private beneficiaries for a range of services it performs.

The fees and charges set out in this document are consistent with the Council's Revenue and Finance Policy, which sets out the funding and cost recovery targets for each Council activity.

This document is set out in three parts:

- Part One: General principles and policies
- Part Two: Policies on charging and fees for specific activities and functions
- Part Three: Schedule of fees and charges

1. General principles and policies

1.1 Principles

1.1.1 Charges must be lawful

The Council can only levy charges which are allowed by legislation. Section 13 of the Local Government Official Information and Meetings Act 1987 enables the Council to charge for providing information sought under the provisions of the Act or the Official Information Act 1982.

Section 36 of the Resource Management Act 1991 (RMA) enables the Council to fix charges for its various functions (refer to Section 2.2).

Section 150 of the Local Government Act 2002 enables the Council to fix charges payable under its bylaws and charges for the provision of goods, services, or amenities in accordance with its powers and duties, for example recovering the costs of responding to environmental incidents, and inspecting dairy farms operating under permitted activity rules for discharges to land.

Section 444(2) of the Maritime Transport Act 1994 allows the Council to fix reasonable charges for its activities/services relating to "Tier 1 sites".

Section 243 of the Building Act 2004 enables the Council to impose fees or charges for performing functions and services under the Act.

Section 135 of the Biosecurity Act 1993 enables the Council to recover its costs of administering this Act and performing the functions, powers and duties provided for in this Act by such methods it believes on reasonable grounds to be the most suitable and equitable in the circumstances.

1.1.2 Charges must be reasonable

The sole purpose of a charge is to recover the reasonable costs incurred by the Council in respect of the activity to which the charge relates. Actual and reasonable costs will be recovered from resource users and consent holders where the use of a resource directly incurs costs to the Council.

Some charges imposed on consent holders are based on the full costs of the Council's administration and monitoring of their consents.

1.1.3 Charges must be fair

Charges must be fair and relate to the consent holders' activities. The Council can only charge consent holders to the extent that their actions have contributed to the need for the Council's work.

The Council must also consider the benefits to the community and to consent holders when setting a charge. It would be inequitable to charge consent holders for resource management work done in the interests of the regional community and vice versa.

Whenever possible, the Council will look for opportunities to streamline and improve processes to ensure that consent processing and compliance monitoring functions continue to be cost effective and efficient.

1.1.4 Charges must be uniformly applied
Charges will not vary greatly within classes of activities within the context of the scale of the activity, except where environmental incidents and non-compliance with consent conditions incur additional supervision costs.

1.1.5 Charges must be simple to understand
Charges should be clear and easy to understand, and their administration and collection should be simple and cost effective.

1.1.6 Charges must be transparent
Charges should be calculated in a way that is clear, logical and justifiable. The work of the Council for which costs are to be recovered should be identifiable.

1.1.7 Charges must be predictable and certain
Consent applicants and resource users are entitled to certainty about the cost of their dealings with the Council. The manner in which charges are set should enable customers to evaluate the extent of their liability.

Resource users need to know the cost of obtaining and maintaining a consent in order to manage their business and to plan for future growth and development. Charges should not change unnecessarily; any charges must be transparent and fully justified.

1.1.8 The Council must act responsibly
The Council should implement its user fees and charges schedule in a responsible manner. Where there are significant changes in charges, the Council should provide advance warning and give consent holders the opportunity to make adjustments.

1.1.9 Resource use
The changes in this document support preferred resource use practices which as a consequence require less work to be undertaken by the Council.

1.2 General policies
1.2.1 Time periods
The policies, formulae and charges set out in this document apply each year from 1 July to the following 30 June, or until replaced by new charges adopted during the annual plan or long term plan as prescribed by the Local Government Act 2002.

1.2.2 Annual charges
Annual charges shall apply from 1 July to the following 30 June each year, or until amended by the Council.

1.2.3 Goods and Services Tax
The charges and formulae outlined in this document are exclusive of GST, except where noted otherwise.

1.2.4 Debtors
All debtors' accounts will be administered in accordance with this policy and outstanding debts will be pursued until recovered.

1.2.5 A minimum annual charge

A minimum annual charge as set out in Section 3.5.1 to all consents other than bore permits, sewage discharge permits for individual dwellings, and new consents granted after 1 March each year when the minimum annual charge will be waived for the remainder of that financial year.

1.3 Policy on remission of charges

In general, all fees and charges set out in this document are to be met by the person who has invoked the service or activity that the fee or charge relates to (for example, the consent applicant in the case of consent processing services or the consent holder in the case of consent administration or monitoring).

Where a person seeks to have any fee or charge set out in this document remitted that person may make an application in writing to the Corporate Services Manager for the remission of the charge setting out in detail the applicant's case which may include financial hardship, community benefit or environmental benefit.

Where the application/consent relates to a structure, the remission of any charge will only be considered if that structure is available at no charge for public use.

Waivers or remissions issued for charges may be subject to review, as this policy may be reviewed.

Decisions on application for waivers or remissions shall be made by the Corporate Services Manager, who may remit a charge in part or full, or decline the application. No further consideration of the application will be undertaken following issue of the final decision, except in relation to an objection against additional charges under section 357B of the Resource Management Act.

Subject to the terms of each particular remission, any remission of standard charges shall be reviewed every three years from the date of issue.

The Council can fix charges for recovering costs for consent processing, administration and monitoring under section 36 of the Resource Management Act 1991. The Council can also require the person liable for such a charge to pay an additional charge, where the fixed charge is inadequate to recover reasonable costs in respect to the service concerned (s36(5)RMA). The person receiving the additional charge has the right to object to the charge under section 357B of the Act and subsequently appeal to the Environment Court against the decision of the objection. Decisions on objections not resolved at staff level will be made by independent commissioners. The Council also has the absolute discretion to remit the whole or any part of a charge made under section 36 (s36AAB(1)of the RMA).

2. Policies on charging and fees for specific activities and function

2.1 Provision of information and technical advice

The Council recognises that it has a significant advisory and information role. The Council has the right under legislation, to recover the costs of providing certain information.

2.1.1 Information provided under the RMA – consents, hearings etc.

Pursuant to the Local Government Act, and sections 36(1)(e) and (f) of the Resource Management Act, the Council may charge for the provision of information as follows:

2.1.1.1 Reasonable charges will be made to cover the costs of making information and documents available, for the provision of technical advice and consultancy services. These costs will include:

1. Staff costs related to making the information available, i.e. the standardised officer fee of $164 + GST (refer Section 3.2)
2. Any additional costs incurred, for example, photocopying.

2.1.1.2 Consistency, distance, location – all time after the first half hour, and any disbursements involved in providing information that confers a private benefit on the recipient(s) shall be recovered by way of invoicing the cost in line with the policy set out above. The policy is consistent with that applied in local government, except when information is requested under the Local Government Official Information Act (refer section 2.1.2).

There is no concession for time or distance travelled by the Council Officer to provide technical information. No such concession is provided by other technical consultants.

Information given by telephone is to be treated exactly the same as information provided at an interview.

2.1.1.3 Advise the cost in advance – officers must warn the person seeking information in advance, that a cost will be incurred after the first half hour, and the cost per hour to be charged. This process allows the applicant to weigh the value of his/her requirements, and will effectively control the amount of information sought and deflect frivolous requests.

The provision of information should be charged separately from the cost of processing any future resource application.

2.1.1.4 Community and environmental groups – where an organisation clearly gains no economic or private benefit for its members from the information sought, then the free time available is also half an hour, and will be treated on the same basis as requests under the Local Government Official Information and Meetings Act (refer to section 2.1.2) unless a regulation or plan provides otherwise. Additional time and disbursements may be charged for, as a reasonable control mechanism, to avoid frivolous or indulgent requests at the ratepayers' cost. These requests should be referred to a least a Manager for a decision on charging.

2.1.1.5 Educational information and materials, and consent holders – when Council officers are involved in Resource Management Act workshops or public promotion aimed at increasing the public's awareness of the Resource Management Act consent procedures, the Councils environmental role, liaison on planning issues etc., there is a benefit to the greater community as well as the people attending.

Information provided in this context clearly falls within the educational role of the Council and is not charged for.

2.1.1.6 Consent holders – all consent holders are entitled to information arising from the monitoring of their consents, including district Councils and other corporate bodies. Other information sought by district Councils is to be assessed on individual merit, and referred to the group manager for a decision.

2.1.3 Information provided under the Local Government and Official Information and Meetings Act

The Local Government and Official Information and Meetings Act enables the public to have access to official information held by local authorities because this is good for accountability and effective participation. However, official information and deliberations are protected to the extent that this is consistent with public interest and personal privacy. More information about the Act, including how to make a request for public information and why it may be declined, is on the Office of the Ombudsman's website.

Section 13 of the Act provides for the recovery of the cost of making information available under the Official Information Act. However, there are some exceptions to this, for example, the Council cannot charge the Inland Revenue Department for its information requests. The current charges are set out in Section 3.1 of this User Fees and Charges Schedule.

Note: under section 13(1) of the Official Information Act, Council has 20 working days to make a decision (and communicate it to the requestor) on whether Council is granting or withholding the information, including how the information will be provided and for what cost. Council will also tell the requester that they have the right to seek a review by the Ombudsman of the estimated charge. If the charge is substantial the requester may refine the scope of their request to reduce the charge. Council may request a minimum estimated fee to be paid under the Official Information Act and the 2002 Charging Guidelines issued by the Secretary for Justice. Council will recover the actual costs involved in producing and supplying information of commercial value. In stating Council's fee schedule, Council reserves discretion to waive a fee if the circumstances of the request suggest this is appropriate, for example in the public interest or in cases of hardship.

2.2 Resource Management Act 1991

2.2.1 Introduction

Under Section 36(1) of the Resource Management Act 1991, the Council may charge for costs associated with the following:

1. Processing resource consent applications, including requests made by applicants or submitters under Section 100A of the Act.
2. Reviews of consent conditions
3. Processing applications for certificates of compliance and existing use certificates
4. The administration and monitoring of resource consents
5. Carrying out state of the environment reporting
6. Applications for the preparation of, or changes to, regional plans or policy statements
7. For providing information in respect of plans and resource consents and the supply of documentation (also refer to Section 2.1.1).

2.2.2 Performance of action pertaining to charges

With regard to all application fees and amounts fixed under Section 36(1) of the RMA, the Council need not perform the action to which the charge relates until the charge has been paid in full (RMA, Section 36AAB(2)) except if section 36(1)(ab)(ii), 36(ad)(ii) or 36(cb)(iv) apply.

2.2.3 Applications for resource consents, reviews of resource consent conditions, certificates of compliance and existing use certificates

2.2.3.1 Applicants will be charged for the reasonable costs, including disbursements, of receiving and processing applications for resource consents, reviews of resource consent conditions under Sections 127 and 128 of the RMA or certificates of compliance and existing use certificates. These include:

a. *Minimum estimated initial fee* on application as set out in Section 3.3. These are minimum charges for resource consent applications and are charges 'fixed' under Section 36(1) of the RMA (they are therefore not subject to objection rights). All consent processing costs which exceed the minimum estimated initial fee are considered to be additional charges pursuant to Section 36(5) of the RMA and these may be progressively charged on a monthly basis or invoiced at the end of the consenting process. Prior to consideration to the application, the Chief Executive Officer is authorised to require an additional minimum estimated initial fee of up to $20,000 for complex applications.

b. *Hearings* – the costs of pre-hearing meetings and hearings will be charged to the applicant. The costs of Councillors who are members of hearing committees (panel) will be recovered as determined by the remuneration Authority. Staff costs and hearing panel members' fees, or the reasonable costs of independent (non-Councillor) commissioners, at formal hearings will be charged,

   Charges relating to joint hearings will be apportioned by the authorities involved, according to which authority has the primary role of organising the hearing.

   Where a hearings panel has directed that expert evidence is pre-circulated then all persons who are producing such evidence shall be responsible for providing the prescribed number of copies of such evidence to the Council. In the event that the Council needs to prepare copies of such evidence the person producing the evidence will be charged for the copying.

   Submitters that request that independent hearing commissioners under Section 100a of the RMA will also be charged a portion of the cost of those hearing commissioners in accordance with Section 36(1)(ab).

c. *External cost disbursements* will also be charged; for example, advertising, legal and consulting advice, laboratory testing, hearing venues and incidental costs.

d. *Withdrawn applications* are subject to the minimum fees set out in Section 3.3 as appropriate, or the actual costs of the work completed to the date of withdrawal (whichever is greater).

2.2.3.2 The final costs of processing each resource consent application will be based on the minimum initial estimated fee, the standardised Officer rate for any costs above the minimum estimated average fee at the rate set out in Section 3.2 and disbursements. In the event that consultants are used to assist the Council in processing resource consent applications, the actual costs of the consultants will be used in calculating the final costs.

2.2.3.3 Where an application is for multiple activities involving more than one type of consent, minimum estimated initial fees are required for each type. However, the Council may determine that there are packages of consent applications that do not require individual minimum estimated initial fees for each consent type.

2.2.3.4 The consent holder will be invoiced the amount of the minimum estimated fee for reviews of consent conditions at the time the review is initiated by the Council.

2.2.4 Administration, monitoring and supervision of resource consents

2.2.4.1 Administration covers how the Council records and manages the information it has on the resource consents it grants. The Council is obliged to keep "records of each resource consent granted by it" under Section 35(5)(g) of the RMA, which must be "reasonably available [to the public] at its principal office (section 35(3) of the RMA. The Council keeps this information on hard copy files or electronic databases. The costs of operating and maintaining these systems are substantial.

The minimum annual resource consent charge set out in 3.6 recovers some of the costs of administration of resource consents.

2.2.4.2 Monitoring is the gathering of information to check consent compliance and to ascertain the environmental effects that arise from the exercise of resource consents. The Council is obliged to monitor "the exercise of the resource consents that have effect in its region" under Section 35(2)(d) of the RMA.

2.2.4.3 Supervision covers functions that the Council may need to carry out in relation to the ongoing management of resource consents. This can include the granting of approvals to plans and other documentation, review and assessment of self-monitoring results provided by the consent holder, provision of monitoring information and reports to consent holders, meetings with consent holders relating to consent compliance and monitoring, and participation in liaison and/or peer review groups established under consent conditions or to address issues relating to the exercise of resource consents.

In determining charges under Section 36 of the RMA, the Council has given consideration to the purpose of the charges and the Council's functions under the Act. It is considered that consent holders have both the privilege of using resources and responsibilities for any related effects on the environment. It is the Council's role to ensure that the level of effects is managed, monitored and is acceptable, in terms of sustainable management and the community's values. The annual charges for administration, monitoring and supervision of resource consents are based on the assumption that those consents will be complied with and exercised in a responsible manner.

Annual resource consent (management) charges will be based on a minimum charge plus charges for consent monitoring and/or supervision undertaken by Council staff. Where appropriate, a portion of costs associated with State of Environment monitoring or resources used by consent holders is also collected, for example, the costs of running Council's hydrological sites, water quality monitoring networks and associated surveys such as macroinvertebrate and fish monitoring. This particularly applies to water take consents, both surface and groundwater.

2.2.5 Invoicing non-scale fees

2.2.5.1 The majority of large-scale activities or activities with high potential adverse effects (where annual monitoring costs exceed $1,000 + GST) will be monitored, the results recorded/reported and subsequently invoiced to the consent holder on an actual and reasonable cost basis.

2.2.5.2 Invoices will be generated once the costs of any work have exceeded a prescribed sum. This will be determined by the scale of the activity. Costs will be invoiced in a timely manner during the progress of the work to ensure that large amounts of costs do not accrue, unless otherwise authorised by the consent holder.

2.2.6 Timing

2.2.6.1 Invoicing of consent annual charges will be in the quarter following the adoption of the Long Term Plan or Annual Plan by the Council or after monitoring of the consent has been undertaken (post billing).

2.2.6.2 In some cases, such as consents relating to short-term activities, invoicing of charges may be deferred until after the Council has completed all, or a significant portion, of its planned monitoring of a consent.

2.2.6.3 Where any resource consent for a new activity is approved during the year and will be liable for future annual charges, the actual costs of monitoring activities will be charged to the consent holder subject to Section 2.2.7.4 below.

2.2.6.4 In any case, where a resource consent expires, or is surrendered, during the course of the year and the activity or use is not ongoing, then the associated annual charge will be based on the actual and reasonable costs of monitoring activities to the date of expiry or surrender, and also the administrative/monitoring costs incurred as a result of the expiry/surrender of the consent.

2.2.6.5 Where a resource consent expires during the course of the year but the activity or use continues and requires a replacement consent, then the annual charges will continue to be applied.

2.2.7 Setting of annual resource consent (monitoring) charges

2.2.7.1 Basis of charges

1. The charges reflect the nature and scale of consented activities. In general, those activities having greater actual or potential effects on the environment require greater supervision and monitoring from the Council. In setting these charges, the Council has duly considered that their purpose is to recover the reasonable costs in relation to the Council's administration, monitoring and supervision of resource consents and for undertaking its functions under Section 35 of the RMA.
2. In respect of the Council's administration role, a standard minimum annual charge will apply to cover some of the costs of operating and maintaining its consents-related information systems.
3. Where appropriate, a proportion of the costs of monitoring the state of environment (Section 35(2)(a)) is incorporated in the charge to the consent holder. In such cases, the Council has had particular regard to Section 36AAA(3)(c), that is, the extent that the monitoring relates to the likely effects of the consent holder's activities or the extent that the likely benefit to consent holders exceeds the likely benefit of the monitoring to the community. The costs to the Council associated with this activity may be shared between consent holder and the community. This recognises that there is value and benefit to the community of work the Council undertakes with respect to monitoring the state of the environment. In the Council's judgement this is a fair and equitable division.
4. To date, a State of Environment charge has been incorporated into the annual charges applying to consents for water takes, known as the water take user charge. With the increased requirements on the Council as a result of the Essential Freshwater Package there is an increasing need to have a

separate State of Environment charge associated with water takes of 5 litres per second. The actual cost of collecting this data will be reviewed in the next Long-term Plan (2024).
5. A set fee of $0.15 per cubic metre on the consented gravel take volume will apply on all consents to fund monitoring for the broader impacts of gravel takes, for example river cross-sections, beach surveys, research and analysis.

2.2.8 Additional monitoring/supervision charges

2.2.8.1 Where non-compliance with resource consent conditions is encountered, or not programmed, additional monitoring is necessary the costs will be recovered in addition to the set annual charge.

2.2.8.2 The purpose of additional supervision charges is to recover costs of additional supervisory work that is required to be undertaken by Council when people, including consent holders, do not act in accordance with consents or Council's rules relating to resource use.

2.2.8.3 Additional supervision charges relate to those situations where consent conditions are not being met or adverse effects are resulting from the exercise of a consent; or unauthorised activities are being carried out.

2.2.8.4 When consent non-compliance or an unauthorised activity is found, the person is, if possible, given the opportunity to remedy the situation and is informed that costs of additional supervision will be recovered. Such activity may also be subject to infringement notices, enforcement orders or prosecutions.

2.2.8.5 Charges for additional supervision will be calculated on an actual and reasonable basis.

2.2.8.6 The costs that make up the charge will include:
1. Labour costs: standardised officer fee (refer Section 3.2) actual recorded time spent, including travel time, in following up the non-compliance matter or unauthorised activity; plus
2. Any sampling and testing costs incurred; plus any equipment costs (excluding vehicle running costs) associated with the monitoring of the non-compliance; plus
3. Any external costs incurred (e.g. external consultants, hire of clean-up equipment).
4. For consent holders only, no additional supervision charge will applied when the annual charges for their consents are sufficient to cover the costs incurred in following up their consent non-compliance.

2.2.9 Charges for emergency works

Under Section 331 of the RMA, the Council may charge for the costs associated with any emergency works required for the:
1. Prevention or mitigation of adverse environmental effects;
2. Remediation of adverse effects on the environment; or
3. Prevention of the loss of life, injury, or serious damage to property.

The costs charged will be the actual and reasonable costs incurred by Council to do the works.

Charges for labour are outlined in Section 3.2.

2.2.10 Changes in resource consent status

1. Where any resource consent is approved during the year, and will be liable for annual charges, the actual costs of monitoring activities will be charged to the applicant. The annual minimum fee will continue to apply per the Council's policy in section 2.2.7.2.
2. For large-scale activities where a resource consent expires, or is surrendered, during the course of the year and the activity or use is not on-going, then the associated annual charge will be based on actual and reasonable costs incurred to the date of expiry or surrender, including costs incurred as a result of monitoring and administration activities with the expiry or surrender of the consent. The annual minimum fee will continue to apply.
3. Where a resource consent expires during the course of the year but the activity or use continues and is subject to a replacement process, then the annual charges will continue to apply.

2.2.11 Charges set by regional rules

2.2.11.1 When developing a regional plan, the Council may create regional rules to prohibit, regulate or allow activities. These rules may specify permitted activities, controlled activities, discretionary activities, non-complying activities, prohibited activities and restricted coastal activities.

2.2.11.2 Permitted activities are allowed by a regional plan without a resource consent, if the activity complies with any conditions, which may have been specified in the plan. Conditions on a resource consent may be set in relation to any matters outlined in Section 108 of the RMA. They may include a specific condition relating to a financial contribution (cash, land, works and services) for any purpose specified in a plan.

2.2.11.3 The Council therefore reserves the right to set other charges pursuant to regional rates in regional plans. These charges will include staff costs for giving evidence in a New Zealand court; matters pertaining to actions required under the Maritime Transport Act 1994 or Biosecurity Act and any other regulated activities. Any new charges would be notified through the public process required for a regional plan prior to its approval.

2.2.11.4 Actual and reasonable costs will be charged for fees set by regional rules. These costs include:

1. Staff costs – officers actual recorded time at the standardised rate
2. Hearings – the costs of pre-hearing meetings and hearings will be charged to the applicant. Council members' hearing costs will be recovered as determined by the Remuneration Authority. Staff costs and committee members' fees or the actual costs of independent commissioners at formal hearings will be charged.
3. For applications relating to restricted coastal activities, the applicant will also be charged the Council's costs of the Minister of Conservation's representative. Charges related to joint hearings will be apportioned by the authorities involved, according to which authority has the primary role of organizing the hearing.
4. External costs, disbursements, are additional to the above charges, for example advertising, consulting and legal advice, laboratory testing, hearing venues and incidental costs.

2.2.12 Preparing or changing a policy statement or plan

2.2.12.1 Any person may apply to the Council for the preparation or change to a regional plan. Any Minister of the Crown or any territorial authority of the region may request a change to a policy statement.

2.2.12.2 When considering whether costs should be borne by the applicant, shared with the Council, or borne fully by the Council, the following will be taken into account:
1. the underlying reason for the change; and
2. the extent to which the applicant will benefit; and
3. the extent to which the general community will benefit.

2.2.12.3 For the receipt and assessment of any application to prepare or change a policy statement or plan, actual and reasonable costs will be recovered. The charging policies are outlined below:

1. All applicants will be required to pay a minimum estimated initial fee set out in Section 3.3 based on the expected costs of receiving and assessing the application, up to but not including the costs of public notification. Actual and reasonable costs based on the hourly rate set out in Section 3.2 and disbursements will be included in the minimum estimated initial fee. Any additional costs incurred in processing the application will be invoiced to the applicant.
2. For any action required to implement a decision to proceed with the preparation or change to a policy statement of plan, a minimum estimated initial fee as set out in Section 3.4 shall be made for the costs of public notification. This will be followed by a case-by-case assessment of where the costs shall fall. Any costs charged will be invoiced monthly from the date of public notification.

Prior to public notification, an estimate of total costs will be given to the applicant. The applicant will have the option of withdrawing the request on receipt of notice of the estimated costs.

Withdrawn requests are subject to payment of the actual and reasonable costs of relevant work completed to the date of withdrawal.

2.2.13 National Environmental Standards for Plantation Forestry

Under regulation 106 of the National Environmental Standards for plantation forestry, the Council may charge for monitoring of permitted activities specified by regulations 24, 37, 51 and 63(2) of the standards. This monitoring will be charged in accordance with sections 1.1 and 1.2 of this charging document. Charges will cover the travel and inspection time of the officer(s) undertaking the inspection (as per Section 3.2), as well as any sampling costs where required.

2.2.14 National Environmental Standards for Freshwater

Under Part 4 of the standard, the Council may charge for monitoring of permitted activities covered by the Standard. These will be charged in accordance with sections 1.1 and 1.2 of this charging document. Charges will cover the travel and inspection time of the officer(s) undertaking the inspection (as per Section 3.2) as well as any sampling costs where required.

2.3 Local Government Act 2002 (land and resources)

The charges for the following Council activities/services have been set according to Section 105 of the Local Government Act:

2.3.1 Monitoring/inspections of permitted activities

Charges are payable to recover the costs of inspections of permitted activities to determine compliance with the permitted activity rules in the regional plans. The inspections are conducted in order that adequately carries out its functions and responsibilities under Sections 30, 35 and 36 of the RMA.

2.3.1.1 Inspections for farm dairy effluent discharges, small-medium and large scale mining operations, and forestry activities

1. Actual and reasonable cost of any specific water quality testing and/or time spent on enforcement action required will be charged in addition to the cost of site visit/inspection.
2. Where there is a need for two officers to attend, the cost of both officers will be recovered.
3. The charges are listed in Section 3.6.

2.3.1.2 Other permitted activities

1. The costs of the site visit/inspections, plus the reasonable cost of any specific water quality testing and/or enforcement action required will be charged.
2. The costs of monitoring RMA regulations that do not specifically provide for cost recovery will be charged at actual staff times as set out in Section 3.2.

2.3.2 Environmental incidents

Where a person (or persons) carries out an activity in a manner that does not comply with Sections 9, 12, 13, 14, 15, 315, 323, 328 or 329 of the RMA, The Council will charge that person (or persons) for the actual and reasonable cost of any inspection/investigation it undertakes in relation to the activity. This cost may include:

1. Time spent by Council staff identifying and confirming the activity is taking or has taken place.
2. Time spent by Council staff identifying and confirming the person(s) responsible for causing or allowing the activity to take place or to have taken place.
3. Time spent by Council staff alerting and informing the person(s) of their responsibilities in relation to the activity, including any guidance or advice as to how any adverse effects of the activity might be managed.
4. Costs of any specific testing of samples taken.
5. Costs of professional services contracted to assist in the inspection/investigation of the activity.
6. Clean up costs and materials.

Where an incident occurs on a site that 'holds' a resource consent and a breach of consent conditions is confirmed, then this section does not apply. Any actual and reasonable costs incurred in the investigation of the incident will be recovered as additional consent monitoring charges.

2.3.3 Investigation of land for the purposes of identifying and monitoring contaminated land

The Council is responsible for identifying and monitoring contaminated land under Section 30(1)(ca) of the RMA. Council will recover the costs of inspection. This may include:

1. Actual time spent by Council staff undertaking any site visit (including preparation, travel, time on site, administration and any required follow-up activity) (refer Section 3.2).
2. Costs of any specific testing of samples taken.

2.4 Maritime activities

2.4.1 Charges for maritime-related incidents (Local Government Act 2002)

These charges are made to recover the costs incurred by the Council as a result of staff responding to any incident that causes or may have the potential to cause, adverse environmental effects. The response action taken by Council staff may include, but will not be limited to, monitoring, inspection, investigation, clean-up, removal, mitigation and remediation works. Actual costs for consumables, plant and equipment used/hired during a response will also be charged in addition to staff hours (as set out in Section 3.2) as appropriate.

2.4.2 Charges for Marine Tier 1 oil transfer sites (Maritime Transport Act 1994)

2.4.2.1 Maritime Rule Part 130B requires that the operator of an oil transfer site obtain the approval for a site marine oil spill contingency plan from the Director of Maritime New Zealand. The power to approve these plans has been delegated from the Director of Maritime New Zealand. The power to approve these plans has been delegated by the Director to the Chief Executive Officer (sub-delegated to Council employees) of the West Coast Regional Council in an Instrument of Delegation pursuant to Section 444(2) of the Maritime Transport Act 1994.

2.4.2.2 Section 444(2) of the Maritime Transport Act 1994 allows the Council to charge a person a reasonable fee for:

1. Approving Tier 1 site marine oil spill contingency plans and any subsequent amendments.
2. Inspecting Tier 1 sites and any subsequent action taken thereafter in respect of preparation on inspection reports or reporting non-conformance issues.

2.4.2.3 *Fee* – the Council will charge an officers actual recorded time charged at the standardised hourly rate as set out in Section 3.2.

2.5 Building Act 2004

2.5.1 Land Information Memorandum

2.5.1.1 Section 243 of the Building Act 2004 specifically allows for the Council to impose a fee or charge for issuing a land information memorandum (LIM).
2.5.1.2 Costs incurred beyond the fee are to be recovered on the basis of actual and reasonable costs incurred by the Council.
2.5.1.3 The minimum estimated fee is payable upon application for the LIM.
2.5.1.4 Should the LIM be withdrawn after processing has commenced, the applicant may receive a partial refund.

2.5.2 Dams

Under section 244 of the Building Act 2004, Council has decided to transfer the Building Act function for consenting dams to Environment Canterbury. Fees will be charged in accordance with the Fees and Charges policy set by Environment Canterbury. All fees and charges for consent processing will be invoiced directly to the applicant by Environment Canterbury.

2.6 Biosecurity Act 1993

2.6.1 Regional Pest Management Plan

2.6.1.1 Section 135 of the Biosecurity Act provides regional Council with options to recover the costs of administering the Act and performing the functions, powers and duties under a pest management plan or pathway management plan. This recovery must be in accordance with the principles of equity and efficiency. Section 135 of the Biosecurity Act authorises the recovery of costs by such methods that they believe to be the most suitable and equitable in the circumstances, including fixed charges, estimated charges, actual and reasonable charges, refundable or non-refundable deposit paid before the provision of the service, charges imposed on users of services or third parties, and cost recovery in the event of non-compliance with a legal direction.

2.6.1.2 Request for work
An authorised person may request any occupier to carry out specified works or measures for the purposes of eradicating or preventing the spread of any pest in accordance with the West Coast Regional Pest Management Plan.

2.6.1.3 Legal directions
An authorised person may issue a legal direction to any occupier to carry out specified works or measures for the purposes of eradicating or preventing the spread of any pest in accordance with the West Coast Regional Pest Management Plan. The legal direction shall be issued under Section 122 of the Biosecurity Act and specify the following matters:

1. The place in respect of which works or measures are required to be undertaken;
2. The pest for which the works or measures are required;
3. Works or measures to be undertaken to meet the occupier's obligations;
4. The time within which the works or measures are to be undertaken;
5. Action that may be undertaken by the management agency (generally the Council) if the occupier or occupiers fail to comply with any part of the direction;
6. The name, address, telephone number and email address of the management agency and the name of the authorised person issuing the legal direction.

2.6.1.4 Failure to comply with a legal direction

Where a legal direction has been given to an occupier under the West Coast Regional Pest Management Plan, and the occupier has not complied with the requirements of the legal direction within the time specified, then the Council may enter onto the place specified in the legal direction and carry out, or cause to be carried out, the works or measures specified in the legal direction, or such other works or measures as are reasonably necessary or appropriate for the purpose of giving effect to the requirements of the legal direction.

2.6.1.5 Recovery of costs incurred by the management agency

Where the Council undertakes works or measures for the purposes of giving effect to the requirements of a request for work or a legal direction, it shall recover the costs incurred from the occupier pursuant to Sections 128 and 129 of the Biosecurity Act and may register the debt as a charge against the certificate of title for the land. Refer to Section 3.2 for the fee structure covering the staff costs.

2.6.1.6 Failure to pay

Section 136 of the Biosecurity Act provides for regional Councils to apply a penalty to charges under the Biosecurity Act that remain unpaid for more than 20 working days since the charge was demanded in writing. Council will apply a penalty of 10% of unpaid charges to the debt incurred, after a period of 20 working days from the due date stated on the original invoice. In addition to this, 10% will be applied for every completed period of six calendar months that the debt remains unpaid (six month period will be calculated from the 21st day of the charge remaining unpaid).

3. Schedule of fees and charges

3.1 Local government official information

In some cases, the Council is permitted to charge for the provision of official information. Requesters will be advised in advance if the Council decides to apply a charge.

For staff time	$ excluding GST	$ including GST
First half hour	No charge	No charge
Per hour (after the initial free half hour)	$164.00	$188.60
For resources		
Photographs	At cost	At cost
Black and white photocopying – A4	10c	10c
Colour photocopying – A4	20c	20c

3.2 Staff charge out rates

Charges are applicable for a range of services performed by Council staff:

- Processing of consents under the Resource Management Act 1991
- Environmental and consent monitoring of:
  - Large-scale activities
  - Permitted activities
  - National Environmental Standards
  - Complaint/Incident response where the complaint is found to be substantiated
- Exercises and training for oil spill exercises and training, standard staff charge out rates apply
- Technical assessments and administration of functions under the Building Act 2004
- Mari-time related incidents
- Provision of commercial or residential property related information, consultation, advice or consent.

The hourly charge out rate has been standardised to a rate of $164/hour (excl GST) regardless of the staff member (e.g., administration officer, consents or compliance staff member, engineer or manager). The change in charge may result in a greater or lesser bill compared to the previous variable rate. Note that this rate also includes mileage fees. Council considers this standardised rate to cover actual and reasonable costs, and is fair in that those who benefit bear the costs (to avoid being subsidised by the general ratepayer).

Description	Hourly rate $ excluding GST	Hourly rate $ including GST
Standardised staff charge out rate	$164.00	$188.60

Notes:

- Where there is a need for two or more staff to attend a site visit, the costs of all staff will be recovered.
- The charge out rate also includes the costs of mileage.

3.3 Resource consent applications – minimum estimated initial fee

The following schedule of minimum estimated initial fees is the minimum an applicant can expect to pay. The final fee may be greater than this depending on the volume of work and associated costs to obtain the consent.

Description	Minimum estimated initial fee $ excluding GST	Minimum estimated initial fee $ including GST
Resource consents		
Land use consent and associated consents for dry bed gravel extraction	$818	$940.70
Land use consent and associated consents for river protection works	$1,309	$1,505.35
Discharge permits for dairy effluent discharges	$1,309	$1,505.35
Land use consent	$1,309	$1,505.35
Land use consent and associated consents for land based alluvial gold mining operations	$1,964	$2,258.60
Coastal permits	$1,309	$1,505.35
All other resource consents	$1,309	$1,505.35
Consent administration		
Application for a change or cancellation of consent conditions	$655	$753.25
Application for a Certificate of Compliance or an Existing Use Certificate	$655	$753.25
Application to extend the lapsing period for a consent	$655	$753.25
Transfer of consents from the consent holder to another (payable by the person requesting the transfer)	$164	$188.60
Request for a change to consent holders name (payable by the person requesting the change)	$164	$188.60
Transfer existing water permit between sites within a catchment		
Non-notified	$164	$188.60
Hearings		
Hearing costs (per hearing day per committee member) at hourly rates set by the Remuneration Authority* or the actual costs of Independent Commissioners * Determination dated 1 July 2006 of consent hearing fees payable and defining the duties covered by the fee or excluded, currently $80 per hour (Committee Member) and $100 per hour (Chairman).	(Per RA)	
Requests by applicants and/or submitters for independent commissioner(s) to hear and decide resource consent applications as provided for by S100A(2) of the RMA: • In cases where only the applicant requests independent commissioner(s), all the costs for the application to be heard and decided will be charged to the applicant. • In cases where one or more submitters requests independent commissioner(s), the Council will charge as follows: - The applicant will be charged for the amount that the Council estimates it would cost for the application to be heard and decided if the request for independent commissioner(s) had not been made; and - The requesting submitters will be charged equal shares of any amount by which the cost of the application being heard and decided in accordance with the request exceeds the amount payable by the applicant outlined above. Notwithstanding the above, in cases where the applicant and any submitter(s) request independent commissioner(s) all the costs for the application to be heard and decided will be charged to the applicant.		

Note: Approved resource consents attract annual charges. Refer Section 3.6.

Photocopying costs for information provided under the RMA – consents hearings etc.

Per page	$ excluding GST			
	Colour A4	Colour A3	Black A4	Black A3
	0.20	0.20	0.10	0.10

Note:
- Double-sided is equivalent to two pages.
- Labour costs also to be recovered as per Section 3.2.

3.4 Application to prepare or change a policy statement or plan

Fees are required to be paid at the time of submitting applications.

Description	Minimum estimated initial fee $ excluding GST	Minimum estimated initial fee $ including GST
Minimum estimated initial fee required for preparation or change to a plan	$51,150	$58,822.50
Minimum estimated initial fee required for preparation or change to a policy statement	$51,150	$58,822.50

Note: in the event that the charges fixed under this special order are inadequate to enable the Council to recover its actual and reasonable costs for carrying out its functions the Council will render an additional charge pursuant to section 36(3) of the Resource Management Act 1991.

3.5 Building Act 2004

3.5.1 Land Information Memoranda (LIM)

Estimated value of work	$ excluding GST	$ including GST
All applications	$327	$376.05

Note: Should the LIM be withdrawn after processing has commenced, the applicant may receive a partial refund.

3.5.2 Building consents and certificates of approval

Under section 244 of the Building Act 2004, Council has decided to transfer the Building Act functions for consenting dams to Environment Canterbury. Fees will be charged in accordance with the fees and charges set by Environment Canterbury. All fees and charges for consent processing will be invoiced directly to the applicant by Environment Canterbury.

3.6 Annual charges

Once a resource consent is granted under Section 3.3, an annual consent administration fee is set. Refer to the following table for the schedule of annual charges.

Description	Annual fee $ excluding GST	$ including GST
Annual Consent holder administration fee	$102	$117.30
Whitebait stands annual monitoring fee	$175	$201.25
Water takes fixed annual monitoring fee*	$102	$117.30

*This fee will apply to anyone that holds a resource consent for the consumptive take of water of 5 litres per second or greater.

Note: These charges cover the annual compliance required for the activity (for example site visit). If additional staff time is required to address any non-compliance with consent conditions or additional costs (for example, engineer costs) these will be applied as per Section 3.2.

3.7 Inspection and monitoring charges

Description	Charge $ excluding GST	$ including GST
Dairy farm inspection and monitoring set fee	$655	$753.25
Small to medium scale mining fixed monitoring fee (includes coal mining, alluvial gold mining, quarries and black sand mining)	$655	$753.25
Large scale fixed monitoring mining fee (includes coal mining, alluvial gold mining and quarries)	$982	$1,129.30
Forestry operations fixed monitoring fee	$655	$753.25
Gravel extraction monitoring fee (exclusive of 3.8 Consented Gravel Take fee)	$491	$564.65
Permitted activity assessment for onsite wastewater (no site visit)	$256	$294.40
Permitted activity assessment for onsite wastewater with site visit	$491	$564.65

Note: Any follow up site visits due to non-compliance, or inspections not covered by a set fee, will be charged at the officer hourly rate of $164 + GST.

Any specific water quality testing and/or enforcement action required will be charged in addition to the inspection fee.

3.8 Consented gravel take fee

A fixed annual fee of $0.15 per cubic metre on the consented gravel take volume will apply on all consents.

3.9 Maritime activities

		$ GST exclusive
Maritime Rule Part 130B requires that the operator of an oil transfer site obtain the approval for a site marine oil spill contingency plan from the director of Maritime New Zealand. The power to approve these plans has been delegated by the director to the Chief Executive Officer (sub-delegated to Council employees) of the West Coast Regional Council in an instrument of Delegation pursuant to Section 444(2) of the Maritime Transport Act 1994. A minimum fee will apply. Section 444(2) of the Maritime Transport Act 1994 allows the Council to charge a person a reasonable fee for:		
a.	Approving Tier 1 site marine oil spill contingency plans and any subsequent amendments	$164/hr
b.	Renewal of Tier 1 site marine oil spill contingency plan, where staff time is less than one hour	$164/hr
c.	Inspecting Tier 1 sites and any subsequent action taken thereafter in respect of preparation of inspection reports or reporting on non-conformance issues	$164/hr
Time will be charged at the officers actual recorded time charged at an hourly rate comprising actual employment costs plus a factor to cover administration and general operating costs.		

3.10 Biosecurity

Notice of direction

The time taken in issuing a notice of direction under the Biosecurity Act 1993, will be charged to the owner or occupier at actual recorded time at the relevant hourly staff charge rate as set out in Section 3.2 of this schedule. This includes time related to investigations prior to issuing a notice of direction and in subsequent monitoring for compliance with a notice (refer Section 2.6).

3.11 Miscellaneous charges

3.11.1 Room hire charge –

Description	$ excluding GST	$ including GST
Council Chambers		
- Hourly rate	$41	$47.15
- Half day (4 hours)	$153	$175.95
- Full day (8:00am – 5:00pm)	$256	$294.40
- After hours rate – per hour	$51	$58.65
Small meeting rooms		
- Hourly rate	$31	$35.65
- Half day (4 hours)	$102	$117.30
- Full day (8:00am – 5:00pm)	$184	$211.60
- After hours rate – per hour	$51	$58.65

Bookings will be subject to the availability of a meeting room. Priority will be given to Council business. Council's preference is to us Zoom software for conferencing and our Zoom connectors are able to interface with standard telephone networks and H 232 standards based conferencing facilities. We can also use Skype, Teams or some other systems with prior arrangement. Each room includes quality camera, audio equipment and large single display.

Each room has power, wifi, whiteboard and a kitchen or kitchenette.

3.11.2 Photocopying and printing -

Per page	$ excluding GST			
	Colour A4	Colour A3	Black A4	Black A3
	0.20	0.20	0.10	0.10

Note:

- Double-sided is equivalent to two pages.
- Labour costs also to be recovered as per Section 3.2.

West Coast Regional Council

Annual Plan 2023

THE WEST COAST
REGIONAL COUNCIL

Table of Contents

Foreword

We are pleased to present the West Coast Regional Council's Annual Plan 2023 with a 'business as planned' approach as consulted on in the Long-term Plan 2021-31.

A key focus for the coming year is delivering on our Infrastructure Resilience projects in Franz Josef, Hokitika and Greymouth, as well as the continuation of the collection of data for the Westport Advanced Warning System.

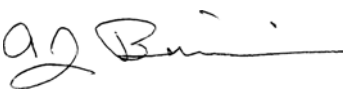
The flooding of Westport in July 2021 and February 2022 has highlighted the importance and urgency for flood protection for this community. Feedback from the Westport community during the Long-term Plan consultation sought flood protection for the community at a cost of $10.2 million. This decision by my Council was subject to investigations into any adverse effects on other parts of the district surrounding Westport. Detailed modelling and design work completed since the initial proposal was consulted on has seen costs increase. Council has joined with the Buller District Council to prepare a business case for co-investment into flood resilience options for Westport. Once the outcomes of the business case are known, and we can confirm co-investment for the Westport Flood Protection project, we will be able to undertake consultation on the final design alignment with the community. Until that time, the proposal should be viewed simply as a 'proposal'. The protection of life and property are paramount to Council and we understand the concern this has generated amongst the Westport community as we get to this stage.

Flood and erosion protection is a key role, and a priority of this Council, and while we have a significant amount of work ahead of us with the new IRG projects and the Westport Flood Protection project, we will be undertaking our business as usual inspections, meetings, and programmes of works with our other rating districts.

Considerable progress has been made on Te Tai o Poutini Plan, the combined District Plan for the West Coast, after the Plan Committee made the decision to increase the pace on plan development. The decision to fast track this project ensures we can lock in the work completed before new legislation is released. The Proposed Plan will be notified in July 2022 providing the opportunity for the community, stakeholders and anyone who may use the district plan, to make submissions.

We are not expecting any decline in the volume of central government reform in the coming year with the National Policy Statement on Indigenous Biodiversity and the Stewardship Land Review proposal just released for feedback. Three new pieces of legislation to replace the Resource Management Act are anticipated in the coming months. As always, Council will be providing robust submissions to Government on the impact these will have on our people, our industry and our community, reminding Wellington that the West Coast is not like other regions and promoting alternative opportunities.

There is a considerable workload ahead of Council in the coming year, however, we remain committed to implementing the work programmes in place in this Annual Plan as efficiently as possible, ensuring we deliver value for money to our communities.



Allan Birchfield
Chairman, West Coast Regional Council

Your Councillors

The West Coast Regional Council has seven representatives elected by the community through local body elections every three years, as follows:

Buller constituency | Two members
Councillors John Hill and Laura Coll McLaughlin

Grey constituency | Three members
Councillors Allan Birchfield (Chair), Peter Ewen and Brett Cummings

Westland constituency | Two members
Councillors Stuart Challenger (Deputy Chair) and Debra Magner

Back row from the left – *Clr Brett Cummings, Clr Stuart Challenger, Clr John Hill, Clr Peter Ewen,*
Front row from the left – *Clr Debra Magner, Clr Allan Birchfield (Chair), Clr Laura Coll McLaughlin*

Purpose and Planning Process

The Council is required to produce a long-term plan every three years, covering a ten-year period. It is also required to prepare an annual plan for each financial year it does not prepare a long-term plan. The annual plans prepared in the years after the long-term plan will mainly contain budget, funding and financial statements for that year in support of the long-term plan. The next long-term plan is required to be prepared and adopted by 30 June 2024.

This is the first Annual Plan produced under the Long-Term Plan 2021-31 (LTP 2021-31). The purpose of the Annual Plan is to provide an update by exception against LTP 2021-31, which remains the substantive reference document.

Annual Plan 2023 includes performance measures for our programmes in this year. Annual Plan 2023 continues to deliver on the agreements put in place with the community during the compilation of LTP 2021-31 and there are no significant or material differences from the plans set out in LTP 2021-31.

The emphasis in preparing this Annual Plan has been to produce a straightforward, easy to read document. Annual Plan 2023 presents financial information and deviations from LTP 2021-31.

Except where noted, the plans, strategies, programmes and targets established in the LTP 2021-31 apply to this Annual Plan and the ongoing operations of the Council. Therefore, it is important that readers read the LTP in conjunction with this Annual Plan.

Copies of the LTP 2021-31 are available from the Council or on our website (www.wcrc.govt.nz).

Working Together with Poutini Ngāi Tahu

The tangata whenua, through the region's two iwi (Te Rūnanga o Ngāti Waewae and Te Rūnanga o Makaawhio – Poutini Ngāi Tahu) have a special relationship with the region's natural and physical resources. Inherent in this relationship is kaitiakitanga which seeks to maintain the mauri of these resources, while allowing the ability to use and develop them for social, cultural and economic well-being. Iwi either individually, or as a collective, wish to maintain meaningful and adequate input to decision-making and to have effective and efficient structures and processes in place to enable that to occur.

The Council recognises the importance of working together with Poutini Ngāi Tahu across the region. The Paetae Kotahitanga ki Te Tai Poutini (Partnership Protocol) and Mana Whakahono ā Rohe (Resource Management Act Iwi Participation Arrangement), signed in October 2020, captures the intent of Council and Poutini Ngāi Tahu to progress their relationship in accordance with the Treaty of Waitangi partnership between iwi and the Crown.

Schedule 10 of the Local Government Act 2002 requires Council to set out the steps it intends to take to foster development of Maori capacity to contribute to Council's decision-making processes.

The Manawhakahono ā Rohe Agreement provided the foundation for Iwi's current involvement in Governance, policy development, review of resource consents and engagement on significant matters for the Region. In 2023, Council seeks to appoint an Iwi Liaison Manager to continue to build an enduring partnership between Poutini Ngāi Tahu and the West Coast Regional Council.

The LTP 2021-31 sets out how Council and Poutini Ngai Tahu will work together on:

- Governance
- Policy development
- Resource consents process
- Training
- Resourcing; and
- Ongoing engagement.

Activities we are Involved in

Groups of Activities

The following sections of the Annual Plan summarise the plans and programmes for each of the groups of activities in detail for 2022/2023.

Council has seven groups of activities, namely regional leadership, resource management, regional transport planning, hydrology and flood warning services, community resilience, river drainage and coastal protection work and the Vector Control Services business unit.

For each group of activities, and activities within that group of activities, information is presented to:

- Identify any deviations, if any, from the LTP 2021-31
- Identify performance targets for the 2022/2023 programme of activities
- Identify the estimated levels of expenditure and how that expenditure is to be funded. Funding proposals are consistent with the Revenue and Financing Policy (outlined in the 2021/2031 Long-term Plan).

Intended Levels of Service, Performance Measures and Targets

Performance measures and targets by which performance may be judged in relation to intended levels of service are included for each group of activities. These outline key results or outcomes, which the Council expects to achieve from each of its groups of activities. The measures and targets are not totally comprehensive but have been selected as key indicators, sufficient to allow performance to be meaningfully assessed.

Performance Monitoring and Reporting Context

The Council uses a wide range of measures and targets to monitor and report upon performance at all levels and for a variety of purposes in addition to those presented herein. These are analysed and reported on at regular intervals.

The Council will publicly report on the performance measures in this Plan in each year's audited Annual Report.

Additional measures by which performance can be assessed can be found in the various adopted statutory policies, plans, strategies and other documents. Those measures included are monitored, analysed and publicly reported upon in various timeframes (live, monthly, yearly or five yearly).

Common Asset Information

For each group of activities, the Council is required to identify the assets or groups of assets required by the group of activities and identify, in relation to those assets or groups of assets:

- how the local authority will assess and manage the asset management implications of changes to:
  - demand for, or consumption of, relevant services
  - service provision levels and standards
- what additional asset capacity is estimated to be required
- how the provision of additional asset capacity will be undertaken
- the estimated costs of the provision on additional asset capacity
- how the costs of the provision of additional asset capacity will be met
- how the maintenance, renewal and replacement of assets will be undertaken
- how the costs of the maintenance, renewal and replacement of assets will be met.

All groups of activities use day to day operational assets (buildings, motor vehicles, plant and equipment, office furniture and computer equipment). The Council maintains sufficient operational assets to undertake its activities. The operational assets are maintained to sufficient service levels to enable staff to complete their duties safely, efficiently and effectively. All maintenance budgets are included in Council's operational expenses.

With the commencement of the construction of significant Infrastructure assets in 2023, all Asset Management Plans will be reviewed and updated for all of Councils significant river, drainage and coastal protection infrastructure assets. This review will be undertaken by the Project Delivery Team engaged to oversee construction.

Regional Leadership

In the LTP 2021-31, the activities undertaken by Council were broadened to not only encompass the traditional Governance function but also a combined district plan and a more inclusive approach to decision-making through the formal arrangement with Poutini Ngāi Tahu. Two formal agreements that triggered this change are:

- The signing of the Mana Whakahono ā Rohe Arrangement by Te Rūnanga o Ngāti Waewae, Te Rūnanga o Makaawhio, Te Rūnanga o Ngāi Tahu and Council; and
- An order in Council to establish Te Tai o Poutini Plan Committee to develop a combined district plan for the region.

Regional Leadership has been split into three sub-groups of Governance, Mana Whakahono ā Rohe Arrangement and Regional Planning. The activities undertaken by these subgroups are:

- **Governance**
  - Decision-making undertaken at Council meetings, workshops and committees
  - Day-today Corporate Service functions that apply across Council as a whole, of Finance, IT, People and Capability and Health and Safety
- **Mana Whakahono ā Rohe Arrangement**
  - Implementation of the protocols of the Arrangement
  - Involvement of iwi in decision-making
- **Regional Planning**
  - Statutory compliance for reporting and planning
  - Development of Te Tai o Poutini Plan, the combined district plan for the region.

Rationale for Regional Leadership activities

Regional Leadership, and in particular Governance, includes the democratic function of the Council. Governance activities of the Council are carried out under the Local Government Act 2002, the Resource Management Act 1991, and the Land Transport Management Act 2003, among others. The Council conducts eleven monthly meetings of the Council and the Resource Management Committee and convenes other meetings and workshops as appropriate.

Individual Councillors and Iwi representatives attend other committee meetings as representatives of the whole Council, such as the Regional Transport Committee, the Emergency Management Joint Committee, and the Joint Committees for Flood infrastructure in Greymouth, Westport and Hokitika. Councillors also act as commissioners from time to time on resource consent and regional plan hearings.

Council has facilitated an ongoing role for Poutini Ngāi Tahu in decision-making and resource management to relevant Council committees and forums such as the Resource Management Committee as well as providing opportunities to be involved throughout major policy and plan formation.

Key changes from the Long-term Plan

There are no significant operational or financial changes from those outlined in the LTP 2021-31.

Governance performance measures

Level of service: Maintain a Council of elected representatives in accordance with statutory requirements and in a manner that promotes effective decisions-making, transparency and accountability to the West Coast regional community		
Measure	**Baseline**	**Target**
Number of public meetings held and individual Councilor attendance	At least 80% attendance by each Councilor of all Council and Resource Management Committee meetings, other scheduled meetings and scheduled workshops.	At least 80%
Timing and number of newsletters, and internet website based information related to public consultation	Twice per year	All
Percentage of Council and Committee meeting Agendas (for all scheduled meetings) that are available at least two working days before meetings	New measure	At least 75%
Percentage of draft Council and Committee minutes available of the Council website within six weeks of meetings	New measure	100%

Mana Whakahono ā Rohe Arrangement

Level of service: Continue to support the contribution our two West Coast Rūnanga make to Council's decisions-making processes; and continue to seek contributions from other Māori		
Measure	**Baseline**	**Target**
Attendance of two Iwi appointees at Resource Management Committee meetings	At least 80% attendance by each Iwi representative of all Resource Management Committee meetings and workshops.	At least 80%
All RMA submissions made by Council are reviewed by Iwi	New measure	All
Number of non-RMA submissions made by Council reviewed by Iwi	New measure	At least 75%
Council to fund Pokeka Poutini o Ngāi Tahu Limited*	New measure	100%

**As per Schedule 2 of the Mana Whakahono ā Rohe Arrangement signed October 2020*

Regional Planning

Level of service: Council's planning and reporting functions meet statutory requirements and demonstrate sound business planning		
Measure	**Baseline**	**Target**
Compliance with statutory timeframes	Meet statutory deadlines for notifying the Council's Annual Plan or Long-term Plan, and the Annual Report each year, in accordance with the Local Government Act 2022.	Annual Plan 30 June Annual Report 31 October
Council's LTP, Annual Plan and Annual Reports meet audit requirements	New measure	Unqualified audit opinion achieved for Annual Report

Te Tai o Poutini Plan

Level of service – Complete Te Tai o Poutini Plan to operative stage, and ensure ongoing maintenance through the TTPP Committee		
Measure	**Baseline**	**Target**
Order in Council requirement to produce a combined district plan for the West Coast **Te Tai o Poutini Plan to give effect to National and Regional legislation and policy** **Plan notified mid-2022, with the aim of submissions, hearings, mediation, and possible court processes complete in 2026**	New measure	Hearings and appeals

Resource Management Activities

Activities within this group include:

- Regional plan documents, environmental policy and strategy
- State of the Environment monitoring
- Resource consent enquiries and processing
- Compliance monitoring and enforcement
- Hazardous substance spill response

Rationale for Resource Management

The Resource Management Act 1991 (RMA) requires regional councils to have certain planning documents to provide certainty to resource users on when consents are required.

The plans enable activities with no more than minor adverse effects to be carried out without needing resource consent, and also provide policy guidance on assessing activities with greater potential effects. The Council also has a Pest Plant Strategy for managing pest plants in the region. All Plans are required to be reviewed within the ten-year period following adoption, including a public consultation process.

Te Tai o Poutini Plan, the combined district plan for the West Coast, will be notified in July 2022. There may be change requests to this document which the Regional Council will now be responsible for.

A significant proportion of the planning workload for 2020-2022 has been Council response to national direction, national consultation and potential resource management reform where these may affect the West Coast. This is to ensure the unique issues and interests of our West Coast communities are represented. Reforms to the Resource Management Act are anticipated to be released in the 2022-23 year, along with required implementation of national policy direction and regulation, particularly for freshwater.

Council monitors the state of our environment to detect trends in environmental quality and emerging issues. This information is fundamental for assessing the effectiveness of resource management policies and plans. It also assists Council to make decisions based on sound factual and up to date information.

Resource consents allow activities that are otherwise restricted by the RMA. Our Consents team processes between 200 and 250 individual resource consents each year, on average. This level of demand is not expected to change significantly over the next ten-year period.

Council has established a cross department Natural Hazard Response Assessment Team (NHRAT's) comprising staff from operations, hydrology, natural hazards and emergency management. NHRAT's purpose is to assess warnings to determine potential levels of risk to assist with increased levels of preparedness prior to, and during, an event.

Key changes from the Long-term Plan

There are no significant operational or financial changes from those outlined in LTP 2021-31.

Environmental Planning and Monitoring performance measures

The following targets measure the performance of the activities undertaken by the Environmental Planning and Monitoring functions.

Level of service: Complete current regional plans to operative stage and review them to maintain their community acceptability		
Measure	**Baseline**	**Target**
Compliance with statutory requirements for the review of Council's plans and strategies	Regional plans that give effect to the National Policy Statement for Freshwater Management 2020 (NPS-FM 2020)	Develop plan changes
Meet all deadlines set out in the West Coast Regional Council NPS-FM Progressive Implementation Programme	Notify regional plans that implement the NPS-FM 2020 by 31 December 2024	Develop plan changes

Level of service: Advocate for West Coast interests when external environmental policymaking may affect the West Coast		
Measure	**Baseline**	**Target**
Number of submissions made and number of successful advocacy outcomes	Submit on all central or local government discussion documents, draft strategies, policies or Bills that may impact on West Coast interests, within required timeframes	100%

Level of service: To monitor water quality in the West Coast's rivers		
Measure	**Baseline**	**Target**
Water quality attributes, including ammonical nitrogen, clarity, turbidity and faecal coliforms, are measured at 38 river sites[1]	Measurement of all relevant attributes at river monitoring sites	Meet measurement baseline

Level of service: To maintain or enhance the water quality in Lake Brunner		
Measure	**Baseline**	**Target**
The trophic state of Lake Brunner as measured by the rolling 5-year Trophic Level Index (TLI) mean remains above the baseline	2002-2006 TLI baseline mean of 2.79	TLI > 2.79

Level of service: To monitor the life supporting capacity and amenity value of the West Coast's rivers		
Measure	**Baseline**	**Target**
Instream macroinvertebrate community health is assessed at 29 river sites **The Semi Quantitative Macroinvertebrate Community Index (SQMI) is calculated from a rolling 5 year mean and compared to mean calculated from 2005-2009, at each site**	The SQMCI[2] comparisons are made annually according to the method stipulated under the measure	Meet baseline requirements using best practice methods
Twenty swimming sites are tested, weekly or fortnightly[3], for E Coli or Enterococci, and the results compared to relevant national policy and guidelines	Bacterial testing at scheduled swimming sites is completed at least fortnightly from November to March and reported publicly within 5 days of testing	Meet baseline requirements
	Test results are compared to following criteria: E Coli (moderate-high risk > 550cfu/100ml) and Enterococci (moderate-high risk > 280 cfu/100ml)	All exceedances are reported to the Resource Management Committee

1 The suite of water quality attributes measured by Council will vary in response to the needs of central government policy and regional community needs. The number and location of sites will vary over time for the same reasons stated above.

2 This macroinvertebrate index uses comparative samples of aquatic invertebrates to evaluate water quality, based on the type and tolerances of invertebrates (bugs) found at that site and how those communities of invertebrates may change over time. Some bug species are pollution tolerant while others are pollution sensitive, so the mix of species tells us a lot about the water quality at the site.

3 The number and location of swimming/bathing monitoring sites used by Council, and the frequency that they are sampled at, will vary in response to the needs of central government policy and regional community needs.

Level of service: Monitor groundwater to protect human health from adverse impacts of poor groundwater quality		
Measure	**Baseline**	**Target**
Twenty-eight wells[4] are monitored at least twice annually, 24 of which are used for human consumption **The New Zealand Drinking Water Standard (NZDWS) for nitrate is applied to wells used for human consumption: 11.3mg/L Nitrate-N**	Twenty-eight wells are monitored at least twice annually	Meet baseline requirement
	For each well compare the most recent 12 months of data to the NZDWS Nitrate-N guideline and report twice yearly to the Resource Management Committee	Meet baseline requirement

Level of service: To protect human health from any adverse impacts of poor air quality in Reefton		
Measure	**Baseline**	**Target**
Reefton's air is monitored for PM_{10} in accordance with the National Environmental Standard for Air Quality (NESAQ)	The threshold is a 24hr mean PM_{10} of 50 micrograms/m^3	All exceedances are reported to the Resource Management Committee

Consents and Compliance performance measures

Level of service - Compliance with the consent processing timeframes in the RMA and mining legislation		
Measure	**Baseline**	**Target**
Compliance with discounting regulation and mining timeframes	Process all resource consent applications without incurring any cost to Council due to the RMA discounting regulations	100%
	Process all resource consent applications within statutory timeframes	100%
	Process all mining work programmes within 20 working days	100%

Level of service - Respond to all genuine incident complaints received by the Council and take enforcement action where needed		
Measure	**Baseline**	**Target**
Operate a 7.00am – 9.00pm complaints service	Respond to all urgent / high risk complaints within 24 hours	100%
	Non-urgent medium/high risk complaints responded to within 10 working days, and non-urgent/low risk desktop response only	100%

4 The number and location of monitoring wells used by Council, and the frequency that they are sampled at, will vary in response to the needs of central government policy and regional community needs.

Level of service - To monitor the impact of discharges on water quality in the West Coast's rivers		
Measure	**Baseline**	**Target**
Compliance monitoring for discharges:	All significant consented discharges[5] are monitored at least annually.	100%
	All dairy farms that operate under permitted activity rules are monitored at least bi-annually depending on each individual compliance record	100%
	All non-compliances are publicly reported to the Resource Management Committee	100%
	All enforcements reported to the Resource Management Committee	100%

Level of service - Respond to marine oil spills in coastal waters		
Measure	**Baseline**	**Target**
In accordance with the Tier 2 Oil Spill Response Plan, maintain readiness for all spill responses	Respond within 4 hours to all spills, using Council or MNZ spill equipment to contain spills	100%
	10 (or more) staff are trained responders	10 or more

Level of service - To provide marine oil spill and terrestrial hazardous substance spill support, and biosecurity response services for Maritime NZ, Ministry for Primary Industries and the Regional Council		
Measure	**Baseline**	**Target**
Availability of trained staff	At least 10 staff available as a response unit for marine and terrestrial pollution spill events as advised by Maritime NZ	10 or more
	Have 4 staff plus a vehicle available for biosecurity emergencies as per the National Biosecurity Capability Network Agreement 2011	4

Level of service - Maintain the Consents and Compliance functions of Council in a manner that promotes effective decision-making, transparency and accountability to the West Coast regional community		
Measure	**Baseline**	**Target**
Bond release within four months of surrender or at the conclusion of mining	New measure	100%
Annual inspection of all whitebait stands on Little Wanganui, Taramakau, Hokitika, Wanganui, Paringa, Haast and Waiatoto Rivers	New measure	100%
Annual assessment of farm compliance in the Lake Brunner catchment	New measure	100%
Inspect new consents that involve major construction works within 1 month of the project commencing	New measure	100%

5 Significant Consented Discharge includes: any consented discharge from a municipal sewage scheme or landfill, any consented discharge from a working mine site, any consented discharge of dairy effluent to water, and any large-scale industrial discharge (Westland Milk Products and CMP Kokiri Ltd).

Regional Transport

Rationale for Regional Transport Planning

Council takes a coordination and administration role in the delivery of regional transport planning. This includes the administration of the West Coast Regional Transport Committee (RTC), with membership from each of the four Councils and Waka Kotahi NZ Transport Agency. The primary role of the RTC is to prepare a Regional Land Transport Plan which sets the long-term vision and strategic direction for the land transport system, and establishes the short to medium term regional transport priorities, to inform the National Land Transport Programme and guide transport activities in Long-term Plans. The activities of the approved organisations (four West Coast Councils, Waka Kotahi and Department of Conservation) are provided in a single coordinated three-to-six-year programme which bids for funding from the National Land Transport Fund.

Changes to legislation, and a boost to funding for coastal shipping, will require a greater review of the Regional Land Transport Plan when it comes up for its interim review due to be completed by 30 June 2024.

The RTC is also responsible for the Regional Public Transport Plan. This Plan provides the framework for the delivery of the Total Mobility Scheme on the West Coast as well as supporting the subsidies obtained by the District Councils to ensure the viability of taxi services within Westport and Hokitika. Funded in partnership by local and central government, the Total Mobility Scheme assists eligible people, with physical or cognitive impairments to access appropriate transport to meet their daily needs and enhance their community participation. This assistance is provided in the form of subsidised door to door transport services wherever Total Mobility transport providers operate. A review of the Regional Public Transport Plan will be concluded in the 2022/23 financial year.

Key changes from the Long-term Plan

There are no significant operational or financial changes from those outlined in LTP 2021-31.

Regional Transport performance targets

Level of service – Maintain a Regional Land Transport Plan in accordance with relevant legislation reflecting West Coast issues and opportunities		
Measure	**Baseline**	**Target**
An operative Regional Land Transport Plan	Compliance with statutory requirements for the preparation, review and implementation of the Regional Land Transport Plan	100%
Level of service – Maintain a Regional Public Transport Plan in accordance with relevant legislation		
Measure	**Baseline**	**Targets 2021-22**
An operative Regional Public Transport Plan	Compliance with statutory requirements for the preparation, review and implementation of the Regional Public Transport Plan	100%

Hydrology and Flood Warning Services

Rationale for Hydrology and Flood Warning Services

Section 35 of the RMA requires councils to monitor the state of the environment. Hydrology monitoring records trends in water levels in key rivers and can also detect emerging issues. This information assists Council to make decisions based on sound factual and up to date information.

Flood warning provides information to civil defence, police and local communities that enables them to assess risk of flood events, so appropriate action can be taken.

How Council manages changes in demand

There is sometimes demand for new rivers to be added to our flood warning service, and our ability to meet such demand depends on the resources available balanced against the river's proximity to a major population centre and the risk profile. Any decision to invest in new assets would take into account factors such as need (risk), cost, accessibility, and whether there are clear communications to the site.

Will new infrastructure be required?

Two new monitoring sites, at Buckland Peak in the Buller Catchment and Kaniere Bridge on the Hokitika River, were added to the network over 2021-2022 as a result of an increase in the severity of rainfall events which creates a flood risk to people and property. A review of communications infrastructure is underway to ensure monitoring stations have the most up to date method of communications and data is available to inform emergency response agencies and the public. This work is being undertaken through existing budgets.

Assets for activities

Council owns infrastructure at 38 hydrometric monitoring sites across the West Coast. Eight of these sites share infrastructure with NIWA. River level and flow gauges are located on riverbanks and consist of instrumentation cabinets with sensors that extend into or over the river channel. Rainfall gauges are located strategically in open areas to minimise sheltering caused by trees or buildings. They also include instrumentation cabinets and sensors.

Four repeaters and four link radios are located throughout the West Coast, many on mountain tops. These transmit recorded hydrometric information to the server at the Council office where it is quality assured and stored. These are not considered to be the type of assets that require management statements in the Long-term Plan as per Schedule 10.2 of the Local Government Act.

Key changes from the Long-term Plan

There are no significant operational or financial changes from those outlined in LTP 2021-31.

Hydrology and Flood Warning performance targets

Level of service – 24hr Flood warning service for 6 key rivers on the West Coast; Karamea River, Mokihinui River, Buller River, Grey Rover, Hokitika River, Waiho River		
Measure	**Baseline**	**Targets**
Staff response to high flow events.	Deliver flood warning alerts as required in accordance with the Flood Warning Manual	100%
Availability of information about high flow events.	River level data available on the Council website for the 6 key rivers on the West Coast (updated 12 hourly, or 3-hourly during flood events)	>90%

Community Resilience

Rationale for Community Resilience

The Council is part of the Civil Defence Emergency Management (CDEM) Group, along with the region's district councils. The Group is governed by a Joint Committee of the District Council Mayors, Regional Council Chair and Poutini Ngāi Tahu. The Coordinating Executive Group (CEG), which is the main working group of civil defence in the region, is comprised of the Chief Executives of the four councils, iwi, emergency services, health and Department of Conservation representatives. The CEG generally reports to the Group quarterly. There are also lifelines, welfare and farming networks that provide advice.

The functions of the CDEM Group include the co-ordination of civil defence emergency management planning, delivering CDEM programmes and activities across the region, and carrying out risk management.

The Regional Council is the administering authority for the West Coast CDEM Group. The 2005 West Coast CDEM Group Plan was reviewed in November 2016, and currently undergoing a further review. The four Councils now co-ordinate the delivery of CDEM regionally. As the administering authority, the Regional Council employ a Director of CDEM and team of five to achieve a fully integrated CDEM staff resource for the region.

The Levels of Service and Performance Targets reflect only the Regional Council's role in the CDEM across the West Coast. District Council Annual Plans will also provide for local CDEM services.

Key changes from the Long-term Plan

There are no significant operational or financial changes from those outlined in LTP 2021-31.

Community Resilience performance targets

Level of service – Maintain a Civil Defence Emergency Management Plan that delivers effective management of the regions civil defence functions in compliance with the legislation		
Measure	**Baseline**	**Target**
Compliance with statutory requirements for the preparation, review and implementation of the Group CDEM Plan	The CDEM Group has an operative and up to date CDEM Group Plan. The CDEM Group work programme makes adequate provision to maintain and implement the CDEM Group Plan.	100% The CDEM Group work programme is monitored and reviewed quarterly by the Joint Committee and annually by the CEG
Appropriately trained staff	Ensure at least 30 Council staff are trained as Emergency Coordination Centre (ECC) personnel so that we have two shifts of ECC staff trained in case of a regional emergency	>30
	Staff are provided at least three training opportunities each year to learn about emergency management and practice a coordination centre activation	Three
	Ensure twelve Group controllers are appointed and trained[6]	Twelve

Level of service – Maintain a level of staff preparedness so that Council can respond to significant events in a timely manner		
Measure	**Baseline**	**Target**
Continuity Plan reviewed annually for relevance	New measure	100%
All Council vehicles are fitted with a disaster kit	New measure	100%
Maintain a register of natural hazards that is available on the website	New measure	Reviewed annually

6 The West Coast CDEM Group requires the appointment of 12 Controllers across the Group (comprising the Regional Council (Emergency Coordination Centre) and three District Councils (Emergency Operations Centre).

River, Drainage and Coastal Protection Work

River, Drainage and Coastal protection activities include:

- Administering the Special Rating Districts
- Managing Council's flood protection assets
- Quarry management and administration.

Rationale for administering the special rating districts

The Soil Conservation and Rivers Control Act 1941 requires the Regional Council to prevent and mitigate soil erosion and prevent damage by floods. To carry out these functions, the Council manages rating district protection assets throughout the region and participates in the Greymouth, Westport and Hokitika Joint Committees.

River cross-section studies and aerial photography of some riverbeds and coastal areas are carried out to monitor gravel build-up and changing patterns in river and beach systems. This assists to identify what, if any, maintenance or additional protection is needed for rating districts. This work will be undertaken as required depending on the urgency and seriousness of the risks and consequences. The work will be undertaken according to recognised engineering standards and practices, and according to the affordability to the local community who fund the work.

The majority of Council rating districts have different levels of flood protection according to the history of the works and affordability for the community. Kongahu is a drainage scheme only. Several schemes have in-river or riverbank erosion protection works such as groynes or rock rip rap. The intent is to maintain these works to their current dimensions in accordance with each asset management plan. The following section sets out the flood protection levels of service for each scheme.

How Council manages changes in service

Any increase in level of service provided by the protection works is primarily determined by the community that pays the targeted rate. Decisions about changes in service levels are recorded in the minutes of the rating district meeting. These minutes are then received by Council, and the rate is set accordingly. If requests for new works are received, Council will evaluate what additional expenditure would be required and discuss it with the rating district that would be funding the increased level of service. Council will over-ride committee recommendations if Council feels those recommendations are unsustainable or could lead to the assets not being properly managed.

Who pays for the works?

Maintenance of the protection infrastructure is financed by each of the individual communities by way of a targeted rate set on properties within defined geographical areas (rating districts). The maps of these special rating areas are on Council's website. Annual works reports are prepared by Council following the annual assets inspection. Proposed works are discussed at a rating district meeting. Capital works

are funded directly by the ratepayers who contribute directly to the cost, unless it is agreed that Council will take on a loan. When Council draws down a loan on behalf of a rating district, targeted rates to recoup the interest and principal are set. Maintenance works and new capital works are put out for tender, and Council's engineering staff then supervise the contractor who wins the tender.

Significant assets administered by Council

The Regional Council presently administers 25 special rating districts at the following locations: Karamea, Kongahu (drainage scheme), Mokihinui, Punakaiki, Redjacks, Nelson Creek, Coal Creek, Greymouth, Saltwater Creek/New River, Taramakau, Inchbonnie, Hokitika (which includes the previous Hokitika Seawall and Kaniere Rating Districts), Southside Hokitika, Raft Creek (drainage scheme), Kowhitirangi, Vine Creek, Wanganui, Whataroa, Matainui, Waitangitaona, Franz Josef (which includes the previous Lower Waiho Rating District), and Okuru.

New protection works are proposed for the Westport Rating District.

The Neils Beach and Rapahoe Rating Districts do not have significant assets under administration.

Levels of Service for Rating Districts

The flood protection schemes described below offer different levels of service from flood events. Several schemes are associated with aggrading riverbeds, and flood protection levels can alter as riverbeds rise. Generally, Council staff recommend to affected communities that they adopt a minimum level of protection against a 2% annual probability flood – protection against a 1 in 50-year flood event.

Some of the Council's schemes do not provide this level of protection, despite Council recommending it to the ratepayers. Sometimes such protection is not affordable for affected ratepayers. Council considers that each community of ratepayers is entitled to choose the level of risk that they feel is appropriate for their circumstances.

Given the significant capital works programme to be undertaken from 2023 onwards, Council decided in May 2022 to standup a Project Delivery Team that will oversee the programme. The Team will consist of a range of expertise such as project managers, quantity surveyors, procurement specialists and technical advisors. These resources will be sourced from the West Coast and wider afield, when necessary. Once constructed, the new infrastructure will raise the flood protection levels of service provided across the region.

Council intends to undertake the following works across the rating districts over the duration of the Annual Plan 2023:

Rating District	Plan	Action
Karamea	Improve Karamea township flood bank	Capital works to improve flood bank to be discussed with ratepayers
Kongahu (Little Wanganui)	Maintenance of the drainage scheme Kongahu farmland to Blackwater and Granite Creeks.	Rating District members involved in weed control from the scheme drains. Initial investigations into a significant spend in future years.
Mokihinui	The outer gravel bund, plus a river stopbank near the river mouth on the south bank protects from tide and surge activity in the vicinity of the Mokihinui township	Maintenance of the outer gravel bund, plus a river stopbank near the river mouth on the south bank
Punakaiki	The 2005 seawall was extended in 2017 to provide additional protection to the Punakaiki Rating District.	The scheme structures are being maintained to the dimensions that they were originally constructed.
Greymouth Rating District	More recent hydrological analysis revealed that the floodwalls needed to be raised. The hydrology statistics changed with the longer flow record. affected ratepayers decided to upgrade most of the wall to the new 50-year flood level, with any concrete work upgraded to the 150-year flood level Council secured $1.9M towards the cost of raising the rest of the wall to the 150-year flood protection level. The Joint Committee has agreed to fund an additional $650,000 spend on this project through a loan from LGFA.	From 1 July 2022, Coal Creek and New River / Saltwater Creek Rating Districts will be amalgamated onto the Greymouth Rating District as a result of outcomes on the LTP 2021-31 Consultation. Capital works to be completed.
Coal Creek	The historic stop bank crest height was 900mm above the highest known flood. Erosion upstream of the stopbank is a current issue.	Maintenance of existing stopbank. From 1 July 2022 merged into Greymouth Rating District.

Rating District	Plan	Action
New River / Saltwater Creek	The mouth of New River and Saltwater Creek will be reopened if it becomes blocked, causing risk of flooding nearby properties.	Reopening occurs once or twice a year From 1 July 2022 merged into Greymouth Rating District.
Nelson Creek	The rating district has had a new flood analysis undertaken in 2011.	Flood analysis options to be considered by the Rating District.
Red Jacks Creek	An analysis to be commissioned to quantify the actual level of protection that the scheme currently provides.	The analysis will be presented to the Rating District.
Inchbonnie	Analysis for the Inchbonnie scheme shows capability of containing 2620m3/s plus 900mm freeboard, which is the current model estimate of a 1 in 400-year flow.	The analysis will be presented to the Rating District.
Taramakau River	Cross-section and flood flow analysis indicates that 70% of the main stopbanks are not capable of containing 4100 cumecs, the 1 in 50-year return period flood with 900mm freeboard.	Options to be discussed with the Rating District.
Hokitika Seawall	Secured funds towards community coastal erosion and flood protection. In 2020, Council consulted on merging the Kaniere and Hokitika Rating Districts and extending the boundary to those with direct and in-direct benefits from the flood and coastal erosion schemes. Council secured $3.7M towards enhancement of the seawall and riverwall. In October 2020, Council determined that an additional $2.7M spend on this project through a loan from LGFA. This loan is to be funded by the Rating district.	The Hokitika Rating District was further extended as a result of the LTP 2021-31 Consultation. Complete the seawall enhancement.
Kaniere	This scheme maintains three groynes and a section of continuous riprap that protect the riverbank from erosion (not a stopbank).	These structures will continue to be maintained to the dimensions that they were originally constructed.
Southside (Hokitika Bridge)	This scheme maintains five groynes and a section of continuous riprap that protect the riverbank immediately south of the bridge from erosion (not a stopbank).	These structures will continue to be maintained to the dimensions that they were originally constructed.
Raft Creek (Kokatahi)	This drainage scheme assists drainage of farmland near Kokatahi (not a stopbank). The sections of drain constructed in the revised scheme of 1960 were designed for a maximum drainage flow of 23 cumecs.	Maintenance of the drainage channels is ongoing.
Kowhitirangi	The Kowhitirangi scheme current service potential is capable of containing river flows greater than the 2008 estimate of the 1% annual probability flood (1 in 100-year flood).	The scheme structures will continue to be maintained to their current dimensions.
Vine Creek (Kowhitirangi)	The revised Vine Creek scheme of 1985 was designed to contain a flow of 88 cumecs with 300mm freeboard.	Containment of Vine Creek in its existing channel in order to prevent uncontrolled gravel deposition over nearby farmland.
Wanganui River (Hari Hari)	The historic "existing standard" was 900mm above the highest known flood. The actual level of protection that the scheme currently provides has not been quantified. The flood protection bank known as “Raymonds Bank” was included in the scheme in 2017.	Investigations on the existing stopbank and where works are best located to protect existing infrastructure given weak points of the existing banks is to be undertaken this year.
Whataroa River	The Whataroa scheme was established in 2011, primarily to manage existing riverbank protection within 1.5km of the highway bridge. These works are all instream groynes, not stopbanks.	Scheme structures will continue to be maintained as per current dimensions.
Matainui Creek (Whataroa)	The historic "existing standard" was 300mm above the highest known flood. The Council has suggested that a re-analysis of flood protection levels be commissioned. However, the Rating District do not wish to have any new analysis undertaken to quantify the actual level of protection that the scheme currently provides. The scheme structures will therefore continue to be maintained to their current dimensions.	Scheme structures will continue to be maintained as per current dimensions.

Rating District	Plan	Action
Waitangitaona River	Cross-section and flood flow analysis undertaken for the Waitangitaona scheme indicates capacity of less than 990 cumecs, which is the 2008 estimate of the 2% annual probability flood (1 in 50-year flood) with 600mm freeboard.	Discussion on options for works to increase the level of protection afforded by the stopbank, including consideration on raising its height in the future, to be held with Rating District.
Franz Josef	Funding of $9.2 million has been secured from the Infrastructure Resilience Group for Stage 1 of the Project with other funding from West Coast Regional Council, Westland District Council and New Zealand Transport Agency making up the remaining co-funding of $1.1 million, and further funding of $1.9 million via a loan on behalf of the Franz Josef Rating District, to upgrade the north side assets, as well as one part of the south side assets. The Lower Waiho Rating District was merged into the Franz Josef Rating District in 2020 along with new rating district boundaries.	Implementation of the capital works to upgrade the North-side assets, as well as the three critical South-side assets Completion of Stage 1.
Okuru	The seawall was constructed in 2000 to protect against tidal fluctuations and surge patterns of the adjacent Tasman Sea.	Scheme structures will continue to be maintained as per current dimensions.
Westport	Overwhelming support from submitters for the construction of extensive floodwalls and stopbanks was received from ratepayers within the Westport Rating District through consultation on the LTP 2021-31. Survey and design work commenced in the 2021-22 financial year. This has included a flood modelling review to ensure that the floodwall design meets the recommended level of service for the 1% annual exceedance probability.	The Joint Committee recommended in June 2022to the Regional Council a flood protection scheme for consideration in year 2 of the LTP. Emergency works are underway for the stopbank by O'Conor home and Organs Island. A business case seeking central government funding is being prepared for co-investment into capital works to better protect the remainder of the town area.

These identified actions do not preclude any work being undertaken as a result of damage from an event or other matter.

IRG Projects

During the Covid 19 lockdown in 2020, Central Government announced an economic stimulus package which included funding for resilience projects that were "shovel ready". Council submitted a package totaling $45.1 million of funding to the Crown Infrastructure Projects fund (channeled through Kanoa) for projects across the West Coast. Details of the projects can be found in the table below.

Project	Description	Funding	Budget	Contractual End Date	Forecasted End Date	Activity planned for 2023
Hokitika – flood and coastal erosion protection	Extension of the sea wall to Richards Drive, and the construction of a river flood protection scheme to provide greater resilience and protection between Kaniere and Sunset Point from a 1:100-year flood event.	Up to $3.8 million of funding was made available for the Hokitika and Kaniere Resilience project, with co-funding of $3.2 million which is to be funded via a merged and extended Rating District encompassing the current Hokitika and Kaniere Rating Districts.	$6.95m	Nov 2022	2023	• Defining the Client Brief • Ensuring this matches the design • Complete design • Obtain the Consent • Construction • Close Out *Contractual Risks:* • Financial overrun or reduction in scope • Time over runs
Greymouth – flood protection wall upgrade (Stage 2)	Upgrading the remainder of the floodwall to the 150-year level (following the Stage 1 upgrade in 2009) to the 150-year level.	The full cost of the Stage Two works is estimated to be $2,600,000. To secure the funding the remaining $650,000 is to be funded by the Greymouth Floodwall Rating District. Final construction drawings are yet to be completed therefore they will be subject to change	$2.60m	Nov 2022	2023	• Defining the Client Brief • Ensuring this matches the design • Complete design • Obtain the Consent • Construction • Close Out *Contractual Risks:* • Financial overrun or reduction in scope • Time over runs
Franz Josef - Waiho River stop bank protection (Stage 1)	Stage 1 includes the upgrade of the northern stopbanks to protect the Franz Josef township from the Waiho River.	A total of $18 million was required from Central Government provided that $6 million of co-funding could be secured. $12.3 million of the funding has been approved for Stage 1 on this project.	$12.29m	May 2023	Aug 2023	• Construction • Close Out
Westport Advanced Flood Warning System	Completion of required telemetry systems and five- year data gathering and modelling programme to provide 8 hour evacuation warning	Telemetry sites were installed in 2021. Information gathering underway.	$530,000	Nov 2021	Phase 1 Construction 2022 Phase 2 Data collection 2027	Collection of data to inform modeling (a five-year process).

Key changes from the Long-term Plan

Due to delays in the preparatory stages of the Franz Josef and Hokitika IRG Projects, Council will establish a Project Delivery Team to oversee all major infrastructure projects in 2023.

River drainage and coastal protection work performance targets

Level of service – Meet or exceed the flood protection, drainage or erosion protection levels as described in the 'levels of service – background' section above		
Measure	**Baseline**	**Target**
Completion of 24 rating district inspections, works reports and consultation meetings	Complete all asset inspections of rating districts	100%
	Complete all works reports for rating districts where material works are proposed	100%
	Hold meetings with all rating districts annually or as agreed with the spokesman of the liaison committee	100%
	Perform all capital and maintenance works as agreed in the annual work programme	100%
Proportion of schemes performing to their agreed level of service	Monitor all rating district infrastructural assets to ensure they perform top the service level consistent with the Asset Management Plan of each Rating District.	100%
Meet timeframes for plan review	Review Rating District Asset Management Plans every third year or earlier where information indicates a significant change from what is stated in the Asset Management Plan.	N/A

Rationale for administering the quarries

The Council manages quarries and identifies other rock recovery sites to ensure security of supply of rock for rating district protection works. The quarries, and other viable rock sources need to be within an economically viable distance to where it is being used to minimize the impact on the affordability of rock protection schemes. The speed of quarry development is driven by demand for rock, therefore the performance targets focus on the process for managing the quarries, including the stockpiling of rock.

Due to the variability in demand and sales of rock, quarries are inconsistent in their ability to cover the administration and management costs. In 2022, an independent review of quarry operations was commissioned by Council and as a result of this review Council will further enhance internal management processes around the operations of its Quarries.

How Council manages changes in service

The demand for rock from quarries is driven by the need to maintain works or build new protection works, plus private sales. Some years see high demand for rock and therefore the quarries run a surplus, while in other years the quarries can run at a loss. Council's aim is to run quarries on a cost-neutral basis, as a long-term average.

Key changes from the Long-term Plan

Due to the findings of the independent review, there will be significant operational developments that will enhance financial results in comparison to those outlined in LTP 2021-31.

Quarry administration performance targets

Level of service – Ensure efficient and effective management and safe operation of Council's quarries, delivering rock to any customers within ten working days with priority given to Council rating district communities		
Measure	**Baseline**	**Target**
Timing of delivering on rock requests	Deliver on requests for rock within two weeks, and ensure sufficient stockpiled rock is available where practical	100%
Number of site inspections to monitor contractor health and safety and performance	Visit each active quarry (where possible), to ensure health and safety standards and other permit requirements are being adhered to	Twice annually

Vector Control Services

The Council's business unit exists to provide a suitable return to Council, to ensure there is capacity for delivering TB possum control work on the West Coast, and to assist with other Council and contracted work as appropriate. Current work areas the business unit is involved in include:

- ground-based and aerial pest control, and bulk storage facilities
- providing support for biosecurity responses
- support for marine oil spill and pollution responses.

While pest management is the principal activity, and money earner, of the business unit, the intention is to continue to broaden the scope of services provided, as other suitable opportunities arise where our staff can add value.

VCS will tender for work both within and outside the West Coast region.

Why have a VCS Business Unit?

The Council has traditionally had a pest control operational unit and it was decided in 2004 to operate that unit using a business model. Operating as a business unit enables Council service delivery functions to be carried out efficiently and effectively in accordance with sound business practices.

VCS competes on the open market for possum control work. VCS has the capability to compete for other contract work, as appropriate, to maintain a profitable business and provide a financial return to the Council. The VCS business unit also ensures the Council has suitably trained staff and equipment available at short notice for emergency work.

Storage facilities for VCS will require upgrading.

Key changes from the Long-term Plan

There are no significant operational or financial changes from those outlined in the 2021-2031 Long-term Plan.

Vector Control Services performance targets

Level of service – To produce a financial surplus (to offset general rates) by tendering for and delivering on vector control and other contracts		
Measure	**Baseline**	**Target**
Achieve or exceed budgeted financial return	Tender for, and win, sufficient contracts to provide or exceed the annual budgeted return to Council	Above adopted budget

Financial Information

Council Controlled Organisations

A council-controlled organisation (CCO) can be a company, partnership, trust, arrangement for the sharing of profits, union of interest, co-operation, joint venture or other similar arrangement in which one or more local authorities, directly or indirectly, controls the organisation.

Regional Software Holdings Ltd – owner of Integrated Regional Information Software – (IRIS)

Council is part owner of a CCO with five other regional councils for the purposes of collaboratively developing and maintaining a software application suite for use by regional councils. Regional Software Holdings Ltd (RSHL) is the name of the company.

The CCO is a limited liability company. The shareholders are the six regional councils that have developed the IRIS suite of software. The West Coast Regional Council's Director is one of the seven Directors of RSHL, being one per shareholding council and one independent.

Council Organisations

The West Coast Regional Council has interests in an organisation that meets the definition of a Council Organisation.

The West Coast Development Trust (Trading as Development West Coast) was established "for the benefit of the community of the present and future inhabitants of the West Coast Region." One Trustee is jointly appointed by the four West Coast Councils: Westland District Council, Grey District Council, Buller District Council and West Coast Regional Council.

Statement of Accounting Policies

Reporting entity
WCRC has designated itself as a Tier 2 Public Benefit Entity (PBE) for financial reporting purposes. These prospective financial statements of WCRC are for the year ended 30 June 2023.

Basis of preparation
The prospective financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

The prospective financial statements have been prepared in accordance with the requirements of the Local Government Act 2002 (LGA 2002), which include the requirement to comply with generally accepted accounting practices in New Zealand (NZ GAAP).

The prospective financial statements have been prepared in accordance with Tier 2 PBE accounting standards. WCRC qualifies as a Tier 2 entity as its total expenditure is less than $30 million per annum.

These prospective financial statements comply with the PBE standards. These prospective financial statements are presented in New Zealand dollars.

Investment in associate
The Council's associate investment is accounted for using the equity method. An associate is an entity over which the Council has significant influence and that is neither a subsidiary nor an interest in a joint venture. The investment in an associate is initially recognised at cost and subsequently equity accounted.

Revenue
Revenue is measured at the fair value of the consideration received.

Rates revenue
Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised at the start of the year to which the resolution relates.

Other revenue
WCRC receives government grants from the New Zealand Transport Agency, which subsidises part of WCRC costs in carrying out its land transport responsibilities. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided. Interest income is recognised using the effective interest method. Dividends are recognised when the right to receive payment has been established.

Borrowing costs
Borrowing costs are recognised as an expense in the period in which they are incurred.

Finance leases
A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not the title is eventually transferred. At the commencement of the lease term, WCRC recognises finance leases as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether WCRC will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Operating leases
An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Trade and other receivables
Trade and other receivables are initially measured at face value, less any provision for impairment. A provision for impairment of receivables is established when there is objective evidence that WCRC will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

Inventories
Inventories held for consumption in the provision of services that are not supplied on a commercial basis are measured at cost. The write-down from cost to current replacement cost or net realisable value is recognised in the surplus or deficit.

Inventories held for use in the provision of goods and services on a commercial basis are valued at the lower of cost (using the "First in First Out" method) and net realisable value.

Foreign currency transactions
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the surplus or deficit.

Derivative financial instruments and hedge accounting
Derivative financial instruments are used to manage exposure to foreign exchange and interest rate risks arising from financing activities. In accordance with its treasury policy, the Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each balance date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and, if so, the nature of the item being hedged.

The associated gains or losses of derivatives that are not hedge accounted are recognised in the surplus or deficit. Council has not designated any derivatives as hedging instruments.

The Council designates certain derivatives as either:

- Hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or
- Hedges of highly probable forecast transactions (cash flow hedge).

The Council documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Council also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The full fair value of a derivative is classified as non-current if the remaining maturity of the hedged item is more than 12 months, and as current if the remaining maturity of the hedged item is less than 12 months.

Other financial assets
Council has two classifications for its financial assets:

- Financial assets at fair value through surplus or deficit.
- Loans and receivables.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets are initially measured at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in the surplus or deficit. The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. Council fund manager Westpac obtains independent verified market prices from third parties such as trading banks, broking houses and originating companies for all assets/securities. Managed funds are valued at the value date price used as the exit price at month end and can be deemed to be fair value. Westpac valuations use the redemption unit price to value into trust products. The value of a unit is based on the net value of the relevant fund.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. WCRC uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The two categories of financial assets that apply to WCRC are:

1. **Financial assets at fair value through surplus or deficit**
   This category has two sub-categories: financial assets held for trading, and those designated at fair value through surplus or deficit at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date. After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the surplus or deficit. Financial assets in this category include derivatives and Council's investment portfolio. WCRC has foreign exchange contracts which are used to manage currency risk for those Investments denominated in foreign currencies. WCRC does not hold or issue derivative financial instruments for trading purposes. WCRC has adopted the provisions for hedge accounting.

2. **Loans and receivables**
   These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition they are measured at amortised cost using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit. Loans and receivables are classified as "trade and other receivables" in the statement of financial position.

Impairment of financial assets

At each balance sheet date WCRC assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in surplus or deficit.

Non-current assets held for sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment losses for write-downs of non-current assets held for sale are recognised in the surplus or deficit. Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised. Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

Property, plant and equipment

Property, plant and equipment consists of:

- *Operational assets* – These include land, buildings, plant and equipment, and motor vehicles.
- *Infrastructure assets* – Infrastructure assets are the river, drainage and coastal protection systems owned by Council. They include rock protection work and stopbanks.

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to WCRC and the cost of the item can be measured reliably. In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to WCRC and the cost of the item can be measured reliably. The costs of day to day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land and river protection systems, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. Due to the nature of the river systems and the structural composition of river protection works, no decline in service potential occurs.

The useful lives and associated depreciation rates of major classes of assets have been estimated as:

Item	Estimated life	Rate
Buildings (non-component items)	50 – 67 years	1.5% - 2%
Portable buildings	10 years	10%
Building components	6.7 – 20 years	5% - 15%
Plant and Equipment	4 - 6.7 years	15% - 25%
Truck	6.7 years	15%
Motor Vehicle	6 - 7 years	15 %

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

Revaluation

Those asset classes that are revalued are valued on a three-yearly valuation cycle on the basis described below. All other asset classes are carried at depreciated historical cost. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

- *Operational land:* This is revalued on a cyclical 3-year basis at fair value as determined from the most recent market-based rating valuations.
- *Infrastructural asset classes: River, Drainage and Coastal Protection Assets:* At fair value determined on a replacement cost basis by a staff member and peer-reviewed by an independent engineer. At balance date, WCRC assesses the carrying value of its infrastructural assets to ensure that they do not materially differ from the assets' fair values.

Accounting for revaluations:

WCRC accounts for revaluations of property, plant and equipment on a class of asset basis. The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset and other comprehensive income. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the surplus or deficit. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset and other comprehensive income.

Intangible assets

Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with maintaining computer software are recognised as an expense when incurred.

Mining rights

Mining rights are recognised at cost on acquisition. Mining rights are amortised over the life of the relevant Mining Permit.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

	Estimated life	Rate
Computer Software	3.3 – 10 years	10% - 30%
Mining Rights	10 – 30 years	3.33% - 10.00%

Impairment of non-financial assets

Assets that have a finite useful life and are measured at cost are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets is the present value of expected future cash flows. If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit. The total impairment loss is recognised in the surplus or deficit.

Investment property

Property leased, or intended to be leased to third parties under operating leases, is classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation. Investment property is measured initially at cost, including transaction costs. After initial recognition, all investment property is measured at fair value as determined annually by an independent valuer. Gains or losses arising from a change in the fair value of the investment property are recognised in the surplus or deficit.

Employee benefits

Short-term benefits:

- Employee benefits that WCRC expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months.

Long-term benefits:

Long service leave

- Entitlements that are payable beyond 12 months, such as long service leave have been calculated on an actuarial basis. The calculations are based on:
- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information.

Superannuation schemes

Defined contribution schemes

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit as incurred.

Provisions

WCRC recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event. It is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

Borrowings
Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Equity
Equity is the community's interest in WCRC and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves. The components of equity are:

- Retained earnings;
- Restricted reserves; and
- Asset revaluation reserves.

Restricted and Council created reserves
Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by WCRC. Restricted reserves are those subject to specific conditions accepted as binding by WCRC and which may not be revised by WCRC without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met. Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

Goods and Services Tax (GST)
All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position. The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows. Commitments and contingencies are disclosed exclusive of GST.

Budget figures
The budget figures are those approved by the Council at the beginning of the year in the LTP/Annual Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by WCRC for the preparation of the financial statements.

Cost allocation
WCRC has derived the cost of service for each significant activity of WCRC using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs, which cannot be identified in an economically feasible manner, with a specific significant activity. Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage, staff numbers and floor area.

Critical accounting estimates and assumptions
In preparing these financial statements WCRC has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Analysis of Forecast Surplus (Annual Plan 2022/23)

	AP 2022/23
Surplus	11,649,787
Less	
Transfer to Growth Fund	-550,000
Loan Principal Repayment	0
Actual Funding Surplus	11,099,787

Prospective Statement of Comprehensive Revenue and Expense

LTP 2021/22		AP 2022/23	LTP 2022/23
	Revenue		
8,051,200	Rates	9,074,037	9,091,044
13,114,894	Subsidies & Grants	13,930,358	5,224,425
6,838,618	User Fees & Charges	8,196,479	7,038,577
35,000	Revaluation of Investment Property	161,906	36,521
712,888	Investment Income	665,925	713,588
28,752,600	Total Revenue	32,028,705	22,104,155
	Expenditure		
1,432,660	Community Resilience	1,575,455	1,361,499
682,755	Regional Leadership	679,150	744,456
1,054,840	Hydrology & Flood Warning Services	1,304,158	1,057,882
7,969,808	Resource Management	6,956,171	7,072,727
2,855,440	River, Drainage & Coastal Protection	6,610,712	2,865,382
180,179	Transport	168,247	180,018
3,982,000	Vector Control Services Business Unit	3,081,840	4,073,586
18,948	Other	3,185	17,748
18,176,630	Total Expenditure	20,378,918	17,373,298
10,575,970	**Net Surplus**	11,649,787	4,730,857
	Other Comprehensive Revenue & Expense		
2,039,951	Asset Revaluation	2,442,082	2,442,082
12,615,921	**Total Comprehensive Revenue & Expense**	14,091,869	7,172,939
18,176,630	**Summary of Operating Expenditure by Expenditure Type**	20,378,918	17,373,298
295,258	Interest	623,824	419,330
566,071	Depreciation and Amortisation	515,926	596,375
6,139,807	Employee Benefits	6,504,500	6,549,731
11,175,494	Other Operating Expenditure	12,734,667	9,807,862
18,176,630	**Total Operating Expenditure**	20,378,917	17,373,298

Prospective Statement of Changes in Equity

LTP 2021/22		AP 2022/23	LTP 2022/23
	Ratepayers Equity		
41,011,998	Opening Balance	34,482,074	51,608,410
10,575,970	Operating Surplus	11,649,787	4,730,857
150,000	Transfers (Investment Growth)	-550,000	0
-129,558	Transfers (Rating Districts)	118,186	-227,783
0	Transfers (Catastrophe Fund)	0	0
0	Transfers General	0	0
51,608,410		45,700,047	56,111,484
	Rating District Equity		
2,500,000	Opening Balance	2,901,633	2,449,559
129,558	Net Transfers (Ratepayers Equity)	-118,186	227,783
2,629,558		2,783,447	2,677,342
	Revaluation Reserves		
64,000,000	Opening Balance	60,939,747	66,039,951
2,039,951	Other Comprehensive revenue & expense	2,442,082	2,442,082
66,039,951		63,381,829	68,482,033
	Investment Growth Reserve		
8,500,000	Opening Balance	12,065,614	8,530,000
-150,000	Net Transfers (Ratepayers Equity)	550,000	0
8,350,000		12,615,614	8,530,000
	Catastrope Fund		
1,000,000	Opening Balance	0	1,000,000
0	Net Transfers (Ratepayers Equity)	0	0
1,000,000		0	1,000,000
129,627,919	**Total Equity**	124,480,937	136,800,859

Prospective Statement of Financial Position

LTP 2021/22		AP 2022/23	LTP 2022/23
	Current Assets		
1,255,107	Cash	5,183,380	164,856
2,500,000	Receivables	1,928,194	2,500,000
300,000	Inventories	651,055	300,000
71,325	Loan Advances	44,696	54,423
650,000	Other Financial Assets	179,479	650,000
4,776,432	**Total Current Assets**	7,986,804	3,669,279
	Non-Current Assets		
4,683,927	Property, Plant, Equipment	4,846,638	4,501,989
119,988,880	Infrastructure	117,392,749	135,305,597
872,958	Intangible Assets	722,299	1,190,579
307,583	Loan Advances	253,322	253,160
1,785,000	Investment Property	1,886,667	1,820,700
165,982	Investment in CCO	152,571	165,982
13,210,643	Other Financial Assets	12,615,614	13,443,522
141,014,973	**Total Non-Current Assets**	137,869,860	156,681,529
145,791,405	**Total Assets**	145,856,664	160,350,808
	Current Liabilities		
8,085,663	Borrowings	5,205,277	9,501,266
2,400,000	Payables	4,230,780	2,400,000
400,000	Employee Benefit Liabilities	786,307	400,000
10,885,663	**Total Current Liabilities**	10,222,364	12,301,266
	Non-Current Liabilities		
4,834,823	Borrowings	10,793,012	10,805,683
443,000	Quarry Aftercare Provision	360,351	443,000
5,277,823	**Total Non-Current Liabilities**	11,153,363	11,248,683
	Equity		
51,608,410	Ratepayers Equity	45,700,047	56,111,484
2,629,558	Rating District Equity	2,783,447	2,677,342
1,000,000	Catastrophe Fund	0	1,000,000
66,039,951	Revaluation Reserve	63,381,829	68,482,033
8,350,000	Investment Growth Fund	12,615,614	8,530,000
129,627,919	**Total Equity**	124,480,937	136,800,859
145,791,405	**Total Liabilities and Equity**	145,856,664	160,350,808

Prospective Statement of Cash Flows

LTP 2021/22		AP 2022/23	LTP 2022/23
	Cash Flow from Operating Activities		
8,051,200	Rates	9,074,037	9,091,044
712,888	Investment Income	115,925	713,588
19,953,512	Other Income	22,126,837	12,263,824
28,717,600		31,316,799	22,068,456
	Less Cash Paid for:		
295,258	Interest	623,824	419,330
17,315,301	Operating Expenditure	19,239,167	16,357,593
17,610,559		19,862,991	16,776,923
11,107,041	**Net Cash Flow Operations**	11,453,808	5,291,533
	Cash Flow from Investing Activities		
	Cash From:		
29,359	Repayment of Loans	0	31,325
0	Redemption of Investments	0	0
98,269	Sale of Assets	0	94,526
127,628		0	125,851
	Cash Paid to:		
14,469,405	Purchase of Fixed Assets	15,710,778	13,701,219
227,643	Investments Made		232,879
14,697,048		15,710,778	13,934,098
-14,569,420	**Net Cash Flow Investing Activities**	-15,710,778	-13,808,247
	Cash Flow from Financing Activities		
5,018,612	Loans Raised	5,931,409	8,419,957
828,126	Loan Principal Repaid	0	993,494
4,190,486	**Net Cash Flow from Financing**	5,931,409	7,426,463
728,107	**Total Changes in Cash Held**	1,674,439	-1,090,251
527,000	Opening Cash Balance	3,508,941	1,255,107
1,255,107	Closing Cash Balance	5,183,380	164,856

Projected Capital Expenditure

LTP 2021/22	Asset Category	Type of Expenditure	AP 2022/23	LTP 2022/23
20,000	Water Quality Sondes	Replacement	20,460	20,460
70,000	Air Quality Monitoring Plant	Replacement	70,000	0
100,000	Hydrology	Replacement	85,016	102,300
58,000	IT Equipment	Replacement	59,334	59,334
100,000	IT Software (Intangibles)	Replacement	368,280	368,280
40,000	Hydrology	Improve level of service	115,000	40,920
13,811,405	Flood Protection and Control Network	Improve level of service	14,776,538	12,924,635
0	Emergency Management Vehicles	Replacement	100,000	0
	Emergency Management Equipment	Replacement	10,000	0
90,000	WCRC Vehicle Replacements	Replacement	55,000	184,140
180,000.00	VCS-Vehicle Replacements	Replacement	51,150	51,150
14,469,405			**15,710,778**	**13,751,219**

Reserves Funds

		AP 2022/23
Rating District Balances	Opening balance	2,901,633
	Deposits	0
	Transfer from surplus	-118,186
	Withdrawals for capex	0
	Borrowing	0
	Loan principal repayments	0
	Closing balance	2,783,447
Investment Growth Reserve	Opening balance	12,065,614
	Deposits	0
	Revaluation	550,000
	Withdrawals	0
	Closing balance	12,615,614
	Total Reserves	**15,399,061**
Funded by:		
JBWere Main Porfolio		12,615,614
JBWere Catasrophe Fund		0
		12,615,614

Reserve Funds – Purposes

Rating District balances

(River, Drainage & Coastal Protection Schemes)

Purpose

These reserves reflect the unspent balances of the targeted rates struck to fund the River, Drainage & Coastal protection schemes.

Activities the Reserve Funds relate to

- River, Drainage & Coastal Protections Group of Activities.

Investment Growth Reserve

Purpose

In 2003 Council established a separate Equity Reserve Fund called the "Investment Growth Reserve".

The funds relating to this Reserve were originally from the 2000 Crown payment of $7,000,000 to this Council (Council share of the $120 million payment to the West Coast following the cessation of native logging).

The balance of the fund is calculated by identifying the Investment Portfolio balance, less the amount relating to Rating Districts.

Activities the Reserve Fund relates to

This reserve fund generates income, some of which is used to fund general Council activities. The reserve helps fund the following activities.

- Regional Leadership
- Resource Management
- Regional Transport Planning
- Hydrology & Flood-warning services
- Community Resilience
- River, Drainage & Coastal Protection Work

Comparison with Long-term Plan Financial Prudence Caps Benchmarks

Rates Affordability / Benchmarks Income and Increases	AP 2022/23			Met
General Rate and UAGC will not exceed 50% of total income	**General Rate + UAGC**	**Total Income**		
	5,689,273	18,917,082	30%	[yes]
General Rates and UAGC increase will not exceed 7.5% per annum	**General Rate + UAGC**	**Increase**		
	5,689,273	229,831	4%	[yes]
Debt and Affordability Benchmarks				
Proposed debt divided by total income not to exceed 175%	**Debt**	**Total Income**		
	16,000,000	18,917,082	85%	[yes]
Balanced Budget Benchmark				
Total income equals or greater than operating expenses	**Total Income**	**Operating Expenses**		
	18,917,082	20,378,918	93%	[yes]
Essential Services Benchmark				
Capital expenditure on network services equals or is greater than depreciation on network services	**Capex on Network Services**	**Depreciation on Network Services**		
	15,228,164	324,313	4696%	[yes]
Debt Servicing Benchmark				
Loan interest not to exceed 10% of total income	**Interest**	**Total Income**		
	623,824	18,917,082	3%	[yes]

Reconciliation of Funding Impact Statement to Statement of Comprehensive Income

LTP 2021/22		AP 2022/23	LTP 2022/23
12,615,921	**Prospective Statement of Comprehensive Income Surplus**	14,091,869	7,172,939
	Plus Non Cash Expenditure		
566,071	Depreciation and Amortisation	515,926	596,375
	Less Non-cash Income		
-11,363,417	Subsidies and Grants - Capital Funding	-12,949,716	-4,423,873
-2,074,951	Revaluation of Properties	-2,603,989	-2,478,603
-256,376	**WCRC Operating Funding Surplus**	-945,910	866,838

Funding Impact Statement

In accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014

LTP 2021/22		AP 2022/23	LTP 2022/23
	Sources of Funding		
4,936,635	General Rates	5,689,273	5,455,434
2,714,566	Targeted Rates	3,316,553	3,225,259
2,201,477	Subsidies & Grants	870,678	1,260,902
6,788,618	Fees & Charges	8,372,574	6,988,577
712,888	Income from Investments	668,004	713,588
17,354,184	**Total Operating Funding (A)**	18,917,082	17,643,760
	Applications of Operating Funding		
17,267,801	Payments to Staff and Suppliers	19,239,168	16,310,092
342,758	Finance Costs	623,824	466,830
17,610,559	**Total Applications of operating funding (B)**	19,862,992	16,776,922
-256,375	**Surplus (deficit) of Operating Funding (A) - (B)**	-945,910	866,838
	Sources of Capital Funding		
11,363,417	Subsidies and Grants	12,949,716	4,423,873
0	Development and Financial Contributions	0	0
43,000	Other Dedicated Capital Funding	0	43,000
4,150,486	Increase (decrease) in debt	5,931,409	7,386,463
98,269	Gross Proceeds Sale assets	0	94,526
15,655,172	**Total Sources of capital funding (C)**	18,881,125	11,947,862
	Applications of capital funding		
0	Capital Expenditure - Additional Demand	0	0
13,851,405	Capital Expenditure - Improved Levels of Service	14,891,538	12,915,555
618,000	Capital Expenditure - Replace Existing Assets	819,240	785,664
227,643	Increase (Decrease) in Investments	0	232,879
701,749	Increase (Decrease) in Reserves	2,224,437	-1,119,398
15,398,797	**Total applications of capital funding (D)**	17,935,215	12,814,700
256,375	**Surplus (Deficit) of Capital Funding (C) - (D)**	945,910	-866,838

Additional disclosures required pursuant to Local Government Act 2002, Schedule 10, Clauses 20, 20A, and 21

Targeted Rates

The following table summarises the types of targeted rate, the group of activities or activity funded by that targeted rate together with matters and factors of the targeted rates.

Notes: *Differential with regard to River, Drainage & Coastal protection activity scheme rates means that there may be several different classes of land with the Separate Rating Area, e.g. Classes A, B, C, D etc. These different classes reflect the different degrees of benefit that the different classes of land receive from the protection works.*

Copies of maps setting out the boundaries of the various separate rating areas may be accessed on Council website www.wcrc.govt.nz

Council does not invite nor will it accept lump sum contributions in lieu of any targeted rate.

Activity Group	Types of Rates	Types of land	Different categories
River, drainage and coastal protection	Scheme maintenance rate	Land within the boundaries of the Vine Creek Separate Rating area	Differential Land Value
River, drainage and coastal protection	Scheme maintenance rate	Land within the boundaries of the Wanganui Separate Rating area	Differential Land Value
River, drainage and coastal protection	Scheme maintenance rate	Land within the boundaries of the Kowhitirangi Separate Rating area	Differential Capital Value
River, drainage and coastal protection	Scheme maintenance rate	Land within the boundaries of the Coal Creek Separate Rating area	Capital Value
River, drainage and coastal protection	Scheme maintenance rate	Land within the boundaries of the Karamea Separate Rating area	Differential Capital Value
River, drainage and coastal protection	Scheme maintenance rate	Land within the boundaries of the Inchbonnie Separate Rating area	Differential Capital Value
River, drainage and coastal protection	Scheme maintenance rate	Land within the boundaries of the Greymouth Floodwalls Separate Rating area	Capital Value
River, drainage and coastal protection	Scheme loan repayment rate	Land within the boundaries of the Greymouth Floodwalls Separate Rating area	Capital Value
River, drainage and coastal protection	Scheme maintenance rate	Land within the boundaries of the Okuru Separate Rating area	Capital Value
River, drainage and coastal protection	Scheme maintenance rate	Land within the boundaries of the Redjacks Separate Rating area	Differential Land Area
River, drainage and coastal protection	Scheme maintenance rate	Land within the boundaries of the Raft Creek Separate Rating area	Land Area
River, drainage and coastal protection	Scheme maintenance rate	Land within the boundaries of the Nelson Creek Separate Rating area	Differential Land Area
River, drainage and coastal protection	Scheme maintenance rate	Land within the boundaries of the Taramakau Separate Rating area	Differential Land Area
River, drainage and coastal protection	Scheme maintenance rate	Land within the boundaries of the Kongahu Separate Rating area	Differential Land Area
River, drainage and coastal protection	Scheme maintenance rate	Land within the boundaries of the Waitangi-taona Separate Rating area	Differential Land Area
River, drainage and coastal protection	Scheme maintenance rate	Land within the boundaries of the Punakaiki Separate Rating area	Capital Value
River, drainage and coastal protection	Scheme loan repayment rate	Land within the boundaries of the Punakaiki Separate Rating area	Differential Capital Value
River, drainage and coastal protection	Scheme maintenance rate	Land within the boundaries of the Hokitika River South Bank Separate Rating area	Differential Capital Value

Activity Group	Types of Rates	Types of land	Different categories
River, drainage and coastal protection	Scheme maintenance rate	Land within the boundaries of the Franz Josef 2020 Separate Rating area	Differential Capital Value
River, drainage and coastal protection	Scheme loan repayment rate	Land within the boundaries of the Lower Waiho Separate Rating area	Capital Value
River, drainage and coastal protection	Scheme loan repayment rate	Land within the boundaries of the Matainui Creek Separate Rating area	Capital Value
River, drainage and coastal protection	Scheme maintenance rate	Land within the boundaries of the Mokihinui Separate Rating area	Per rating unit
River, drainage and coastal protection	Scheme maintenance rate	Land within the boundaries of the Whataroa River Separate Rating area	Differential Capital Value
River, drainage and coastal protection	Scheme maintenance rate	Land within the boundaries of the New River/ Saltwater Creek catchment Separate Rating area	Differential Capital Value
River, drainage and coastal protection	Scheme loan repayment and maintenance rates	Land within the boundaries of the Hokitika 2021 Separate Rating area	Capital Value
River, drainage and coastal protection	Scheme maintenance rate	Land within the boundaries of the Neil's Beach Separate Rating Area	Capital Value
River, drainage and coastal protection	Scheme maintenance rate	Land within the boundaries of the Rapahoe Separate Rating Area	Per rating unit
River, drainage and coastal protection	Scheme maintenance rate	Land within the boundaries of the Westport Separate Rating Area	Capital Value
Regional Emergency Management	Emergency Management	All rateable land in the region	Capital Value
Warm West Coast	Repayment of insulation / clean heating funding	Only levied on individual properties that have received Council funding to install insulation and/or clean heating appliances.	Amount of Council funding provided * 14.9286% per annum for the term of the funding agreement.
Te Tai o Poutini Plan (combined District Plan)	Plan preparation	All rateable land in the region	Capital value

General Rates and Choice of Rating System for General Rate

Council may make and levy a General Rate either,

- Across the Region, or
- Within each constituent District within the Region, so that the rate made or levied may vary across the three Districts (Westland, Buller and Grey) within the Region.

In 2005 Council implemented a differential general rate which fixed the percentage (%) of the general rate to be collected from each of the three District areas within the region. The differentials were based on the historic allocation of the general rate across the three District areas during a time when the rateable valuation of each District was equalised to ensure a fair apportionment of the general rate to each District. Equalisation was used as there were varying revaluation dates across the three Districts. Following discontinuation of equalisation the fixed differentials now achieve the same fairness objective.

The differentials decided were:

- Buller District Area 31%
- Grey District Area 39%
- Westland District Area 30%

Rates Information

Rating Funding Impact Statement – rates for the year ending 30 June 2023

Note: All amounts are stated inclusive of GST.

Rating Instalment Information

Rates will be payable by three instalments:

First instalment	Due date 20 October 2022	Penalty date 20 October 2022
Second instalment	Due date 20 April 2023	Penalty date 20 April 2023

A penalty for late payment will be applied at the amount allowed by the Local Government Rating Act 2002 of 10% on any part of an instalment that remains unpaid after the due dates of 20 October 2022 and 20 April 2023.

A further 10% penalty will be charged on all accumulated rate arrears as at 30 June 2023, on 1 July 2023.

General Rate

The General Rate is used to fund activities that are of public benefit and where no other source of revenue is identified to cover the cost of the activities.

The General Rate will be a differential general rate in the dollar set for all rateable land within the region and calculated on the Capital value of each rating unit.

Differential

Rateable Capital Value in the Buller District Council area to yield 31% of the total general rate.
Rateable Capital Value in the Grey District Council area to yield 39% of the total general rate.
Rateable Capital Value in the Westland District Council area to yield 30% of the total general rate.

	Differential	Estimated Rateable Capital Value	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
Rateable Value of Land in the Buller District Local authority Area	31%	$2,626,504,900	0.00048152	$1,264,704	$1,099,743
Rateable Value of Land in the Grey District Local authority Area	39%	$2,677,642,500	0.00059421	$1,591,079	$1,383,547
Rateable Value of Land in the Westland District Local authority Area	30%	$2,251,815,905	0.00054352	$1,223,907	$1,064,267
	100%	$7,555,963,305		$4,079,690.55	$3,547,557.00

Uniform Annual General Charge

The Uniform Annual General Charge is charged at one (1) full charge per rating unit as per section 15 of the Local Government (Rating) Act 2002.

The Council sets a uniform annual general charge to fund activities that are of public benefit and where no other source of revenue is identified to cover the cost of the activities.

Estimated number of rating units	Amount per rating unit	Estimated Yield	GST Exclusive
20,298	$140.22	$2,846,250.00	$2,475,000.00

Targeted Rates

a) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Vine Creek separate rating area, calculated on the land value of each rating unit for the maintenance of protection works in the scheme.

Vine Creek	Estimated rateable Land Value	Differential based on benefits	Factor per $ of Land Value	Calculated Yield	GST Exclusive
Class A	$3,713,500.00	1.00	0.0043780	$16,257.79	$14,137.21
Class B	$3,698,000.00	0.70	0.0030646	$11,332.95	$9,854.74
Class C	$6,038,000.00	0.50	0.0021890	$13,217.25	$11,493.26
Class D	$14,250,900.00	0.20	0.0008756	$12,478.16	$10,850.57
Class E	$13,179,000.00	0.10	0.0004378	$5,769.80	$5,017.22
				$59,055.95	$51,353.00

b) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Wanganui River separate rating area, calculated on the land value of each rating unit for the maintenance of protection works in the scheme.

Wanganui River (Maintenance)	Estimated Rateable Land Value	Differential Based on Benefits	Factor per $ of Land Value	Estimated to Yield	GST Exclusive
Class A	$22,200,200.00	1.00	0.0032634	$72,447.59	$62,997.91
Class B	$18,157,400.00	0.70	0.0022844	$41,478.09	$36,067.91
Class C	$22,313,400.00	0.45	0.0014685	$32,767.65	$28,493.61
Class D	$3,948,100.00	0.10	0.0003263	$1,288.41	$1,120.36
Class U1	$2,921,300.00	0.50	0.0016317	$4,766.65	$4,144.91
Class U2	$1,013,000.00	0.50	0.0016317	$1,652.90	$1,437.30
				$154,400.30	$134,262.00

c) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Kowhitirangi separate rating area, calculated on the capital value of each rating unit for the maintenance of protection works in the scheme.

Kowhitirangi	Estimated Rateable Capital Value	Differential Based on Benefits	Factor per $ of Capital Value	Estimated to Yield	GST Exclusive
Class A	$15,151,200.00	1.00	0.0004376	$6,630.37	$5,765.54
Class C	$31,832,000.00	0.50	0.0002188	$6,965.06	$6,056.57
Class E	$30,370,000.00	0.29	0.0001277	$3,876.79	$3,371.12
Class F	$66,221,800.00	0.17	0.0000730	$4,830.89	$4,200.77
				$22,303.10	$19,393.00

d) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Karamea separate rating area, calculated on the capital value of each rating unit for the maintenance of protection works in the scheme.

Karamea	Estimated Rateable Capital Value	Differential Based on Benefits	Factor per $ of Capital Value	Estimated to Yield	GST Exclusive
Class A	$2,274,600.00	1.00	0.0017828	$4,055.26	$3,526.31
Class B	$31,380,040.00	0.80	0.0014263	$44,756.61	$38,917.79
Class C	$3,785,520.00	0.60	0.0010697	$4,049.40	$3,521.22
Class D	$107,443,420.00	0.10	0.0001783	$19,155.50	$16,656.96
Class E	$52,270,220.00	0.05	0.0000891	$4,659.49	$4,050.73
				$76,675.25	$66,674.00

e) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Inchbonnie separate rating area, calculated on the capital value of each rating unit for the maintenance of protection works in the scheme.

Inchbonnie Rating District	Estimated Rateable Capital Value	Differential Based on Benefits	Factor per $ of Capital Value	Estimated to Yield	GST Exclusive
Class A	$3,526,200.00	1.00	0.0020768	$7,323.19	$6,367.99
Class B	$15,798,220.00	0.75	0.0015576	$24,607.23	$21,397.60
Class C	$6,294,000.00	0.50	0.0010384	$6,535.67	$5,683.19
Class D	$2,175,000.00	0.30	0.0006230	$1,355.11	$1,178.35
Class F	$1,232,500.00	0.15	0.0003115	$383.95	$333.87
				$40,205.15	$34,961.00

f) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Greymouth Floodwall separate rating area, calculated on the capital value of each rating unit for the repayment of loans raised to fund capital works.

Greymouth Floodwall (Loan)	Estimated Rateable Capital Value	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
	$712,307,100.00	0.0003549	$252,826.35	$219,849.00

g) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Greymouth Floodwall separate rating area, calculated on the capital value of each rating unit for the maintenance of protection works in the scheme. New River / Saltwater Creek Catchment, Coal Creek Rating Districts are to be merged with Greymouth rating district effective 1-Jul-22.

Greymouth Floodwall (Maintenance)	Estimated Rateable Capital Value	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
	$827,058,740.00	0.00026217	$216,832.50	$188,550.00

h) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Okuru separate rating area, calculated on the capital value of each rating unit for the maintenance of protection works in the scheme.

Okuru	Estimated Rateable Capital Value	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
	$16,755,000.00	0.0004998	$8,374.30	$7,282.00

i) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Redjacks separate rating area, calculated on the land area of each rating unit for the maintenance of protection works in the scheme.

Redjacks	Estimated Rateable Land Area (ha)	Differential Based on Benefits	Rate per hectare	Calculated Yield	GST Exclusive
Class A	0.10	6.73%	$7,956.98	$795.70	$691.91
Class B	1.11	35.55%	$3,781.28	$4,197.22	$3,650.76
Class C	0.12	3.56%	$3,507.53	$420.90	$366.00
Class D	2.30	17.54%	$901.64	$2,073.78	$1,803.29
Class E	1.49	14.23%	$1,129.15	$1,682.43	$1,462.99
Class F	1.85	4.73%	$302.29	$559.23	$486.29
Class G	21.97	7.40%	$39.82	$874.91	$760.79
Class H	49.18	8.60%	$20.67	$1,016.79	$884.17
Class I	77.02	1.71%	$2.62	$202.18	$175.81
		100%		$11,823.15	$10,281.00

j) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Raft Creek separate rating area, calculated on the land area of each rating unit for the maintenance of protection works in the scheme.

Raft Creek	Estimated Rateable Land Area (ha)	Rates per hectare	Calculated Yield	GST Exclusive
	762.25	$14.51	$11,063.00	$9,620.00

k) A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land situated in the Taramakau Settlement Separate Rating Area and calculated on the land area of each rating unit, for maintaining the protection works in the scheme.

Taramakau Settlement	Estimated Rateable Land Area (ha)	Differential Based on Benefits	Rate per hectare	Calculated Yield	GST Exclusive
Class A	306.26	33.16%	$124.52	$38,135.00	$33,161.87
Class B	130.00	11.54%	$102.08	$13,271.00	$11,540.00
Class C	111.98	6.83%	$70.14	$7,854.50	$6,830.00
Class D	127.13	6.54%	$59.16	$7,521.00	$6,540.00
Class E	191.47	8.63%	$51.83	$9,924.50	$8,630.00
Class F	140.29	5.89%	$48.28	$6,773.50	$5,890.00
Class G	392.74	13.40%	$39.24	$15,410.00	$13,400.00
Class H	429.48	13.77%	$36.87	$15,835.50	$13,770.00
Class I	48.66	0.24%	$5.67	$276.00	$240.00
		100%		$115,000.00	$100,000.00

l) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Kongahu separate rating area, calculated on the land area of each rating unit for the maintenance of protection works in the scheme.

Kongahu Rating District	Estimated Rateable Land Area (ha)	Differential Based on Benefits	Rate per hectare	Calculated Yield	GST Exclusive
Class A	733.86	1.00	$31.79	$23,327.34	$20,284.65
Class B	68.60	0.52	$16.67	$1,143.51	$994.35
				$24,470.85	$21,279.00

m) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Waitangitaona separate rating area, calculated on the land area of each rating unit for the maintenance of protection works in the scheme.

Waitangitoana	Estimated Rateable Land Area (ha)	Differential Based on Benefits	Rate per hectare	Calculated Yield	GST Exclusive
Class A	604.30	25.80%	$13.58	$8,204.26	$7,134.14
Class B	721.43	23.48%	$10.35	$7,467.70	$6,493.66
Class C	1690.44	46.84%	$8.81	$14,894.60	$12,951.82
Class D	708.22	3.88%	$1.74	$1,235.44	$1,074.30
		100%		$31,803.00	$27,652.91

n) A targeted rate set in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land located between the boundaries of the Pororai river, State Highway 6 and the Tasman sea at Punakaiki calculated on the capital value of each rating unit for maintenance of the sea wall protection works.

Punakaiki (Maintenance)	Estimated Rateable Land Value	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
	$15,185,000.00	0.0071589	$108,707.20	$94,528.00

o) A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land located between the boundaries of the Pororai river, State Highway 6 and the Tasman sea at Punakaiki calculated on the capital value of each rating unit for repayment of loans raised to fund capital works.

Punakaiki Rating District (Loan)	Estimated Rateable Capital Value	Differential Based on Benefits	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
Class A (Camping Ground)	$720,000.00	1.00	0.0403898	$29,080.63	$25,287.50
Class A (Other)	$4,430,000.00	1.00	0.0013902	$6,158.41	$5,355.14
Class B	$2,475,000.00	0.65	0.0009036	$2,236.42	$1,944.71
Class C	$2,195,000.00	0.60	0.0008341	$1,830.84	$1,592.03
Class D	$5,365,000.00	0.30	0.0004170	$2,237.46	$1,945.62
	$15,185,000.00			$41,543.75	$36,125.00

p) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Hokitika Southside separate rating area, calculated on the capital value of each rating unit for the maintenance of the protection works.

Hokitika Southside	Estimated Rateable Capital Value	Differential Based on Benefits	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
Area A	$3,026,500.00	1.00	0.0011760	$3,559.04	$3,094.82
Area B	$3,571,200.00	0.10	0.0001176	$419.96	$364.18
				$3,979.00	$3,459.00

q) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Franz Josef separate rating area, calculated on the capital value of each rating unit for the maintenance of the protection works. Lower Waiho to be merged with Franz Josef rating district.

The Franz Josef separate rating area includes all rateable land downstream of the State Highway 6 bridge that crosses the Waiho River. This includes all rateable land that was part of the original Lower Waiho, Franz Josef and Canavans Rating Districts. Also included are the additions of Stony Creek and all rateable land north of the Franz Josef township to Lake Mapourika.

Franz Josef 2020 (Maintenance)	Estimated Rateable Capital Value	Differential Based on Benefits	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
Area A	$178,412,000.00	1.00	0.0002898	$51,699.89	$44,956.42
Area B	$24,562,000.00	0.50	0.0001449	$3,558.76	$3,094.58
	$202,974,000.00			$55,258.65	$48,052.00
Lower Waiho (Maintenance)	$21,173,500.00		0.0027157	$57,500.00	$50,000.00
	$224,147,500			$112,758.65	$98,052.00

r) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Franz Josef separate rating area, calculated on the capital value of each rating unit for the repayment of a loan raised to fund capital works.

The Franz Josef separate rating area includes all rateable land downstream of the State Highway 6 bridge that crosses the Waiho River. This includes all rateable land that was part of the original Lower Waiho, Franz Josef and Canavans Rating Districts. Also included are the additions of Stony Creek and all rateable land north of the Franz Josef township to Lake Mapourika.

Franz Josef 2020 (Loan)	Estimated Rateable Capital Value	Differential Based on Benefits	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
Area A	$178,412,000.00	1.00	0.0007461	$133,106.83	$115,745.07
Area B	$24,562,000.00	0.50	0.0003730	$9,162.42	$7,967.32
	$202,974,000.00			$142,269.25	$123,712.39

s) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Lower Waiho separate rating area, calculated on the capital value of each rating unit for the repayment of a loan raised to fund capital works.

Lower Waiho	Estimated Rateable Capital Value	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
	$21,173,500.00	0.0016063	$34,011.72	$29,575.41

t) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Matainui Creek separate rating area, calculated on the capital value of each rating unit for the maintenance of the protection works.

Matainui Creek	Estimated Rateable Capital Value	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
	$7,206,000.00	0.0008533	$6,149.05	$5,347.00

u) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002.

The Targeted Rate will be a uniform rate in the dollar set for all rateable land within the region and calculated on the Capital value of each rating unit, used to fund Emergency Management activities within the Region.

Regional Emergency Management	Estimated Rateable Capital Value	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
Rateable Value of Land in the Buller District Local authority Area	$2,251,815,905.00			
Rateable Value of Land in the Grey District Local authority Area	$2,677,642,500.00			
Rateable Value of Land in the Westland District Local authority Area	$2,626,504,900.00			
	$7,555,963,305.00	0.0001111	$839,500.00	$730,000.00

v) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002.

The Targeted Rate will be a uniform rate in the dollar set for all rateable land within the region and calculated on the Capital value of each rating unit, used to fund the cost of preparation of "One District Plan" as directed by the Local Government Commission.

One District Plan	Estimated Rateable Capital Value	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
Rateable Value of Land in the Buller District Local authority Area	$2,251,815,905.00			
Rateable Value of Land in the Grey District Local authority Area	$2,677,642,500.00			
Rateable Value of Land in the Westland District Local authority Area	$2,626,504,900.00			
	$7,555,963,305.00	0.0000761	$575,000.00	$500,000.00

w) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Mokihinui separate rating area, calculated as a fixed charge per rating unit.

Mohikinui Rating District	Estimated number of rating units	Amount per rating unit	Calculated Yield	GST Exclusive
	42	$445.46	$18,709.51	$16,269.14

x) A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on properties included in the Whataroa River separate rating area calculated on the capital value of each rating unit, for maintenance of the protection works.

Whataroa River	Estimated Rateable Capital Value	Differential Based on Benefits	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
Area A	$8,001,000.00	1.00	0.0026914	$21,535.20	$18,726.26
Area B	$12,253,000.00	0.40	0.0010766	$13,191.28	$11,470.68
Area C	$29,933,000.00	0.20	0.0005383	$16,111.57	$14,010.06
				$50,838.05	$44,207.00

y) A targeted rate set in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on properties included in the Neil's Beach separate rating area calculated on the capital value of each rating unit, for management of the protection works.

Neil's Beach	Estimated Rateable Capital Value	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
	$14,757,000.00	0.0004096	$6,044.40	$5,256.00

z) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on properties that have received Council funding to install insulation and/or clean heating appliances.

The rate is calculated as a % of the GST inclusive funding provided by Council to the property. Funding provided by Council includes interest at 4.25%. The rate will be used to repay funding that Council has borrowed to fund this work and will be levied over a 10 year term from 1 July 2013 or 1 July 2014, depending on the year that the funding was approved.

Warm West Coast Loans	Factor as % of Council funding provided	Calculated Yield	GST Exclusive
	0.1423629	$70,972.27	$61,715.02

aa) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Hokitika 2021 separate rating area, calculated on the capital value of each rating unit for the repayment of a loan raised to fund capital works.

The Hokitika 2021 separate rating area includes all rateable land within the following boundaries:
The northern side of the Hokitika river upstream to St Albans Street, Kaniere. Up to Hau Hau Road, including the old racecourse area and Racecourse subdivision, Richards Drive and the Tasman Sea. The boundaries also include seaview and Hokitika Airport.

Hokitika 2021 (Loan)	Estimated Rateable Capital Value	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
	$605,864,000.00	0.0004014	$243,185.30	$211,465.48

ab) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Hokitika 2021 separate rating area, calculated on the capital value of each rating unit for the maintenance of protection works within the scheme.

The Hokitika 2021 separate rating area includes all rateable land within the following boundaries:
The northern side of the Hokitika river upstream to St Albans Street, Kaniere. Up to Hau Hau Road, including the old racecourse area and Racecourse subdivision, Richards Drive and the Tasman Sea. The boundaries also include seaview and Hokitika Airport.

Hokitika 2021 (Maintenance)	Estimated Rateable Capital Value	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
	$605,864,000.00	0.0001683	$101,990.05	$88,687.00

ac) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Westport separate rating area, calculated on the capital value of each rating unit for the maintenance of protection works within the scheme.

Westport (Maintenance)	Estimated Rateable Capital Value	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
	$831,524,100.00	0.0000746	$62,052.56	$53,958.75

ad) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Westport separate rating area, calculated on the capital value of each rating unit for the repayment of a loan raised to fund capital works.

Westport (Loan)	Estimated Rateable Capital Value	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
	$831,524,100.00	0.0000802	$66,655.20	$57,961.04
		Total Rates	**$10,435,137**	**$9,074,032**

Charging Policies

There have been no unplanned changes to the User Fees and Charges for the 2023 financial year. The Schedule of User Fees and Charges can be found on Council's website at www.wcrc.govt.nz.

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THE WEST COAST
REGIONAL COUNCIL

Report to: Council	**Meeting Date:** 28 June 2022
Title of Item: Rates Setting – Levies 2022/23	
Report by: Heather Mabin, Chief Executive	
Reviewed by:	
Public excluded? No	

Report Purpose

For Council to set and assess the 2022/23 rates, and set due dates and the penalty regime.

Report Summary

The Local Government (Rating) Act 2002 (Section 23) outlines the procedure to be followed when a Council sets its rates. Rates must be set by a resolution of Council and relate to a financial year and be set in accordance with the relevant provisions of the Council's Annual Plan and Funding Impact Statement for that financial year, in this instance 1 July 2022 to 30 June 2023. The Funding Impact Statement is documented in the Council's Annual Plan 2023.

This report sets out the information and recommendations required for Council to properly set the 2022/23 rates.

Recommendation

That the Council resolve to set and assess the 2022/23 rates, as calculated in the following schedule and according to the following conditions:

1. General Rate

The General Rate is used to fund activities that are of public benefit and where no other source of revenue is identified to cover the cost of the activities. The General Rate will be a differential general rate in the dollar set for all rateable land within the region and calculated on the Capital value of each rating unit.

Differentials:

Rateable Capital Value in the Buller District Council area to yield 31% of the total general rate.

Rateable Capital Value in the Grey District Council area to yield 39% of the total general rate.

Rateable Capital Value in the Westland District Council area to yield 30% of the total general rate.

	Differential	Estimated rateable Capital Value	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
Rateable Value of Land in Buller District Local Authority area	31%	$2,626,504,900	0.00048152	$1,264,704	$1,099,743
Rateable Value of Land in Grey District Local Authority area	39%	$2,677,642,500	0.00059421	$1,591,079	$1,383,547
Rateable Value of Land in Westland District Local Authority area	30%	$2,251,815,905	0.00054352	$1,223,907	$1,064,267
	100%	$7,555,963,305		$4,079,690.55	$3,547,557.00

2. Uniform Annual General Charge

The Uniform Annual General Charge is charged at one (1) full charge per rating unit as per section 15 of the Local Government (Rating) Act 2002.

The Council sets a uniform annual general charge to fund activities that are of public benefit and where no other source of revenue is identified to cover the cost of the activities.

	Estimated number of rating units	Amount per rating unit	Estimated Yield	GST Exclusive
	20,298	$140.22	$2,846,250.00	$2,475,000.00

3. TARGETED RATES

(a) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Vine Creek separate rating area, calculated on the land value of each rating unit for the maintenance of protection works in the scheme.

Vine Creek	Estimated rateable Land Value	Differential based on benefits	Factor per $ of Land Value	Calculated Yield	GST Exclusive
Class A	$3,713,500.00	1.00	0.0043780	$16,257.79	$14,137.21
Class B	$3,698,000.00	0.70	0.0030646	$11,332.95	$9,854.74
Class C	$6,038,000.00	0.50	0.0021890	$13,217.25	$11,493.26
Class D	$14,250,900.00	0.20	0.0008756	$12,478.16	$10,850.57
Class E	$13,179,000.00	0.10	0.0004378	$5,769.80	$5,017.22
				$59,055.95	$51,353.00

(c) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Wanganui River separate rating area, calculated on the land value of each rating unit for the maintenance of protection works in the scheme.

Wanganui River (Maintenance)	Estimated rateable Land Value	Differential based on benefits	Factor per $ of Land Value	Calculated Yield	GST Exclusive
Class A	$22,200,200.00	1.00	0.0032634	$72,447.59	$62,997.91
Class B	$18,157,400.00	0.70	0.0022844	$41,478.09	$36,067.91
Class C	$22,313,400.00	0.45	0.0014685	$32,767.65	$28,493.61
Class D	$3,948,100.00	0.10	0.0003263	$1,288.41	$1,120.36
Class U1	$2,921,300.00	0.50	0.0016317	$4,766.65	$4,144.91
Class U2	$1,013,000.00	0.50	0.0016317	$1,652.90	$1,437.30
				$154,400.30	$134,262.00

(d) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Kowhitirangi separate rating area, calculated on the capital value of each rating unit for the maintenance of protection works in the scheme.

Kowhitirangi	Estimated rateable Capital Value	Differential based on benefits	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
Class A	$15,151,200.00	1.00	0.0004376	$6,630.37	$5,765.54
Class C	$31,832,000.00	0.50	0.0002188	$6,965.06	$6,056.57
Class E	$30,370,000.00	0.29	0.0001277	$3,876.79	$3,371.12
Class F	$66,221,800.00	0.17	0.0000730	$4,830.89	$4,200.77
				$22,303.10	$19,393.00

(e) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Karamea separate rating area, calculated on the capital value of each rating unit for the maintenance of protection works in the scheme.

Karamea	Estimated rateable Capital Value	Differential based on benefits	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
Class A	$2,274,600.00	1.00	0.0017828	$4,055.26	$3,526.31
Class B	$31,380,040.00	0.80	0.0014263	$44,756.61	$38,917.79
Class C	$3,785,520.00	0.60	0.0010697	$4,049.40	$3,521.22
Class D	$107,443,420.00	0.10	0.0001783	$19,155.50	$16,656.96
Class E	$52,270,220.00	0.05	0.0000891	$4,659.49	$4,050.73
				$76,675.25	$66,674.00

(f) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Inchbonnie separate rating area, calculated on the capital value of each rating unit for the maintenance of protection works in the scheme.

Inchbonnie	Estimated rateable Capital Value	Differential based on benefits	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
Class A	$3,526,200.00	1.00	0.0020768	$7,323.19	$6,367.99
Class B	$15,798,220.00	0.75	0.0015576	$24,607.23	$21,397.60
Class C	$6,294,000.00	0.50	0.0010384	$6,535.67	$5,683.19
Class D	$2,175,000.00	0.30	0.0006230	$1,355.11	$1,178.35
Class F	$1,232,500.00	0.15	0.0003115	$383.95	$333.87
				$40,205.15	$34,961.00

(g) **A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Greymouth Floodwall separate rating area, calculated on the capital value of each rating unit for the repayment of loans raised to fund capital works.**

Greymouth Floodwall (Loan)	**Estimated rateable Capital Value**	**Factor per $ of Capital Value**	**Calculated Yield**	**GST Exclusive**
	$712,307,100.00	0.0003549	$252,826.35	$219,849.00

(h) **A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Greymouth Floodwall separate rating area, calculated on the capital value of each rating unit for the maintenance of protection works in the scheme. New River / Saltwater Creek Catchment, Coal Creek Rating Districts are to be merged with Greymouth rating district effective 1-Jul-22.**

Greymouth Floodwall (Maintenance)	Estimated rateable Capital Value	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
	$827,058,740.00	0.00026217	$216,832.50	$188,550.00

(i) **A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Okuru separate rating area, calculated on the capital value of each rating unit for the maintenance of protection works in the scheme.**

Okuru	Estimated rateable Capital Value	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
	$16,755,000.00	0.0004998	$8,374.30	$7,282.00

(j) **A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Redjacks separate rating area, calculated on the land area of each rating unit for the maintenance of protection works in the scheme.**

Redjacks	Estimated rateable Land Area (ha.)	Differential based on benefits	Rate per hectare	Calculated Yield	GST Exclusive
Class A	0.10	6.73%	$7,956.98	$795.70	$691.91
Class B	1.11	35.55%	$3,781.28	$4,197.22	$3,650.76
Class C	0.12	3.56%	$3,507.53	$420.90	$366.00
Class D	2.30	17.54%	$901.64	$2,073.78	$1,803.29
Class E	1.49	14.23%	$1,129.15	$1,682.43	$1,462.99
Class F	1.85	4.73%	$302.29	$559.23	$486.29
Class G	21.97	7.40%	$39.82	$874.91	$760.79
Class H	49.18	8.60%	$20.67	$1,016.79	$884.17

Class I	77.02	1.71%	$2.62	$202.18	$175.81
		100%		$11,823.15	$10,281.00

(k) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Raft Creek separate rating area, calculated on the land area of each rating unit for the maintenance of protection works in the scheme.

Raft Creek	Estimated Rateable Land Area (ha.)	Rates per hectare	Calculated Yield	GST Exclusive
	762.25	$14.51	$11,063.00	$9,620.00

(l) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Taramakau Settlement separate rating area, calculated on the land area of each rating unit for the maintenance of protection works in the scheme.

Taramakau Settlement	Estimated Rateable Land Area (ha.)	Differential based on benefits	Rates per hectare	Calculated Yield	GST Exclusive
Class A	306.26	33.16%	$124.52	$38,135.00	$33,161.87
Class B	130.00	11.54%	$102.08	$13,271.00	$11,540.00
Class C	111.98	6.83%	$70.14	$7,854.50	$6,830.00
Class D	127.13	6.54%	$59.16	$7,521.00	$6,540.00
Class E	191.47	8.63%	$51.83	$9,924.50	$8,630.00
Class F	140.29	5.89%	$48.28	$6,773.50	$5,890.00
Class G	392.74	13.40%	$39.24	$15,410.00	$13,400.00
Class H	429.48	13.77%	$36.87	$15,835.50	$13,770.00
Class I	48.66	0.24%	$5.67	$276.00	$240.00
		100%		$115,000.00	$100,000.00

(m) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Kongahu separate rating area, calculated on the land area of each rating unit for the maintenance of protection works in the scheme.

Kongahu	Estimated Rateable Land Area (ha.)	Differential based on benefits	Rates per hectare	Calculated Yield	GST Exclusive
Class A	733.86	1.00	$31.79	$23,327.34	$20,284.65
Class B	68.60	0.52	$16.67	$1,143.51	$994.35
				$24,470.85	$21,279.00

(n) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Waitangitaona separate rating area, calculated on the land area of each rating unit for the maintenance of protection works in the scheme.

Waitangitaona	Estimated Rateable Land Area (ha.)	Differential based on benefits	Rates per hectare	Calculated Yield	GST Exclusive
Class A	604.30	25.80%	$13.58	$8,204.26	$7,134.14
Class B	721.43	23.48%	$10.35	$7,467.70	$6,493.66
Class C	1690.44	46.84%	$8.81	$14,894.60	$12,951.82
Class D	708.22	3.88%	$1.74	$1,235.44	$1,074.30
		100%		$31,803.00	$27,652.91

(o) A targeted rate set in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land located between the boundaries of the Pororai river, State Highway 6 and the Tasman sea at Punakaiki calculated on the capital value of each rating unit for maintenance of the sea wall protection works.

Punakaiki (Maintenance) Rating District

Estimated rateable Capital Value	factor per $ of capital Value	calculated yield $	GST Exclusive
$15,185,000.00	0.0071589	$108,707.20	$94,528.00

(p) A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land located between the boundaries of the Pororai river, State Highway 6 and the Tasman sea at Punakaiki calculated on the capital value of each rating unit for repayment of loans raised to fund capital works.

Punakaiki (Loan) Rating District

	Estimated rateable Capital Value	differential based on benefits	factor per $ of capital Value	calculated yield $	GST Exclusive
Class A (Camping Ground)	$720,000.00	1.00	0.0403898	$29,080.63	$25,287.50
Class A (Other)	$4,430,000.00	1.00	0.0013902	$6,158.41	$5,355.14
Class B	$2,475,000.00	0.65	0.0009036	$2,236.42	$1,944.71
Class C	$2,195,000.00	0.60	0.0008341	$1,830.84	$1,592.03
Class D	$5,365,000.00	0.30	0.0004170	$2,237.46	$1,945.62
	$15,185,000.00			$41,543.75	$36,125.00

(q) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Hokitika Southside separate rating area, calculated on the capital value of each rating unit for the maintenance of the protection works.

Hokitika Southside	Estimated rateable Capital Value	Differential based on benefits	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
Area A	$3,026,500.00	1.00	0.0011760	$3,559.04	$3,094.82
Area B	$3,571,200.00	0.10	0.0001176	$419.96	$364.18
				$3,979.00	$3,459.00

(r) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Franz Josef separate rating area, calculated on the capital value of each rating unit for the maintenance of the protection works. Lower Waiho to be merged with Franz Josef rating district.

The Franz Josef separate rating area includes all rateable land downstream of the State Highway 6 bridge that crosses the Waiho River. This includes all rateable land that was part of the original Lower Waiho, Franz Josef and Canavans Rating Districts. Also included are the additions of Stony Creek and all rateable land north of the Franz Josef township to Lake Mapourika.

Franz Josef 2020 (Maintenance)	Estimated rateable Capital Value	Differential based on benefits	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
Area A	$178,412,000.00	1.00	0.0002898	$51,699.89	$44,956.42
Area B	$24,562,000.00	0.50	0.0001449	$3,558.76	$3,094.58
	$202,974,000.00			$55,258.65	$48,052.00
Lower waiho Maintenance	$21,173,500.00		0.0027157	$57,500.00	$50,000.00
	$ 224,147,500			$112,758.65	$98,052.00

(s) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Franz Josef separate rating area, calculated on the capital value of each rating unit for the repayment of a loan raised to fund capital works.

The Franz Josef separate rating area includes all rateable land downstream of the State Highway 6 bridge that crosses the Waiho River. This includes all rateable land that was part of the original Lower Waiho, Franz Josef and Canavans Rating Districts. Also included are the additions of Stony Creek and all rateable land north of the Franz Josef township to Lake Mapourika.

Franz Josef 2020 (Loan)	Estimated rateable Capital Value	Differential based on benefits	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
Area A	$178,412,000.00	1.00	0.0007461	$133,106.83	$115,745.07
Area B	$24,562,000.00	0.50	0.0003730	$9,162.42	$7,967.32

$202,974,000.00	$142,269.25	$123,712.39

(t) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Lower Waiho separate rating area, calculated on the capital value of each rating unit for the repayment of a loan raised to fund capital works.

Lower Waiho	Estimated rateable Capital Value	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
	$21,173,500.00	0.0016063	$34,011.72	$29,575.41

(u) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Matainui Creek separate rating area, calculated on the capital value of each rating unit for the maintenance of the protection works.

Matainui Creek	Estimated rateable Capital Value	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
	$7,206,000.00	0.0008533	$6,149.05	$5,347.00

(v) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002

The Targeted Rate will be a uniform rate in the dollar set for all rateable land within the region and calculated on the Capital value of each rating unit, used to fund Emergency Management activities within the Region.

Regional Emergency Management	Estimated rateable Capital Value	Factor per $ of Capital Value	Estimated Yield	GST Exclusive
Rateable Value of Land in the Buller District Local authority Area	$2,251,815,905.00			
Rateable Value of Land in the Grey District Local authority Area	$2,677,642,500.00			
Rateable Value of Land in the Westland District Local authority Area	$2,626,504,900.00			
	$7,555,963,305.00	0.0001111	$839,500.00	$730,000.00

(w) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002

The Targeted Rate will be a uniform rate in the dollar set for all rateable land within the region and calculated on the Capital value of each rating unit, used to fund the cost of preparation of "One District Plan" as directed by the Local Government Commission.

One District Plan	Estimated rateable Capital Value	Factor per $ of Capital Value	Estimated Yield	GST Exclusive
Rateable Value of Land in the Buller District Local authority Area	$2,251,815,905.00			
Rateable Value of Land in the Grey District Local authority Area	$2,677,642,500.00			
Rateable Value of Land in the Westland District Local authority Area	$2,626,504,900.00			
	$7,555,963,305.00	0.0000761	$575,000.00	$500,000.00

(x) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Mokihinui separate rating area, calculated as a fixed charge per rating unit.

Mokihinui	Estimated number of rating units	Amount per rating unit.	Calculated $	GST Exclusive
	42	$445.46	$18,709.51	$16,269.14
			$18,709.51	$16,269.14

(y) A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on properties included in the Whataroa River separate rating area calculated on the capital value of each rating unit, for maintenance of the protection works.

Whataroa River

	Estimated rateable Capital Value	differential based on benefits	factor per $ of capital Value	calculated yield $	GST Exclusive
Area A	$8,001,000.00	1.00	0.0026914	$21,535.20	$18,726.26
Area B	$12,253,000.00	0.40	0.0010766	$13,191.28	$11,470.68
Area C	$29,933,000.00	0.20	0.0005383	$16,111.57	$14,010.06
				$50,838.05	$44,207.00

(z) A targeted rate set in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on properties included in the Neil's Beach separate rating area calculated on the capital value of each rating unit, for management of the protection works.

Neil's Beach

	Estimated rateable Capital Value	factor per $ of Capital Value	calculated yield $	GST Exclusive

$14,757,000.00	0.0004096	$6,044.40	$5,256.00

(aa) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on properties that have received Council funding to instal insulation and/or clean heating appliances.

The rate is calculated as a % of the GST inclusive funding provided by Council to the property. Funding provided by Council includes interest at 4.25%. The rate will be used to repay funding that Council has borrowed to fund this work and will be levied over a 10 year term from 1 July 2013 or 1 July 2014, depending on the year that the funding was approved.

Warm West Coast Loans	factor as a % of Council funding provided	Calculated Yield	GST Exclusive
	0.1423629	$70,972.27	$61,715.02

(ab) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Hokitika separate rating area, calculated on the capital value of each rating unit for the repayment of a loan raised to fund capital works.

The Hokitika separate rating area includes all rateable land within the following boundaries:

The northern side of the Hokitika river upstream to St Albans Street, Kaniere. Up to Hau Hau Road, including the old racecourse area and Racecourse subdivision, Richards Drive and the Tasman Sea. The boundaries also include seaview and Hokitika Airport.

Hokitika (Loan)	Estimated rateable Capital Value	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
	$605,864,000.00	0.0004014	$243,185.30	$211,465.48

(ac) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Hokitika separate rating area, calculated on the capital value of each rating unit for the maintenance of protection works within the scheme.

The Hokitika separate rating area includes all rateable land within the following boundaries:

The northern side of the Hokitika river upstream to St Albans Street, Kaniere. Up to Hau Hau Road, including the old racecourse area and Racecourse subdivision, Richards Drive and the Tasman Sea. The boundaries also include seaview and Hokitika Airport.

Hokitika (Maintenance)	Estimated rateable Capital Value	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
	$605,864,000.00	0.0001683	$101,990.05	$88,687.00

(ad) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Westport separate rating area, calculated on the capital value of each rating unit for the maintenance of protection works within the scheme.

	Estimated rateable Capital Value	Factor per $ of Capital Value	Calculated Yield	GST Exclusive
Westport (Maintenance)	$831,524,100.00	0.0000746	$62,052.56	$53,958.75

(ae) A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Westport separate rating area, calculated on the capital value of each rating unit for the repayment of a loan raised to fund capital works.

Westport (Loan)	$831,524,100.00	0.0000802	$66,655.20	$57,961.04
		Total Rates	**$10,435,137**	**$9,074,032**

Issues and Discussion

Background

This report is prepared for Council in order to set the rates on properties for the year 1 July 2022 to 30 June 2023. Section 23 of the Local Government (Rating) Act 2002 states how rates are set. It states:

23 Procedure for setting rates

(1) Rates must be set by resolution of the local authority.

(2) Rates set by a local authority must-

a. Relate to a financial year, or part of a financial year; and

b. Be set in accordance with the relevant provisions of the local authority's long-term community plan for that financial year.

The section goes on to set out terms and conditions of the ability to set a rate not provided for in the Annual Plan and to require that Council must, within 20 working days after this resolution, make the resolution publicly available on our website.

Section 24 requires the resolution to state the financial year to which the rate applies and the date on which the rate must be paid.

Considerations

Significance and Engagement Policy Assessment

This decision is significant but was consulted on during the Long-term Plan 2021-31 process.

Views of affected parties

Council considered the views of affected parties during the Long-term Plan 2021-31 process.

Financial implications

Property rates account for $9.07 million of Council's revenue in 2023 financial year.

Legal implications

This report is prepared in accordance with the requirements of the Local Government (Rating) Act 2002. Individual rates are set and assessed with reference to the following sections of the Act:

- **General rates**
  For providing revenue for the general purpose of the Council in the year commencing 1 July 2022 and ending 30 June 2023 as authorised by Section 13 of the Local Government (Rating) Act 2002.
- **Uniform Annual General Charge**
  For providing revenue for the general purpose of the Council in the year commencing 1 July 2022 and ending 30 June 2023 as authorised by Section 15 of the Local Government (Rating) Act 2002.
- **Rating district rates**
  For providing revenue for funding and maintaining the protection works within the various rating districts in the year commencing 1 July 2022 and ending 30 June 2023 as authorised by Sections 16 – 18 of the Local Government (Rating) Act 2002.
- **Regional emergency management rates**
  For providing revenue for emergency management activities in the year commencing 1 July 2022 and ending 30 June 2023 as authorised by Sections 16 – 18 of the Local Government (Rating) Act 2002.
- **Te Tai o Poutini Plan rates**
  For providing revenue to fund the preparation of Te Tai o Poutini Plan (the combined District Plan) in the year commencing 1 July 2022 and ending 30 June 2023 as authorised by Sections 16 – 18 of the Local Government (Rating) Act 2002.
- **Warm West Coast funding rates**
  For providing revenue to repay borrowing provided by Council during the 2013/14 financial year and this annual repayment being made in the year commencing 1 July 2022 and ending 30 June 2023 as authorised by Sections 16 – 18 of the Local Government (Rating) Act 2002.

To set and assess rates using a classification scheme established under Sections 40-41 or Section 92(1) Rating Powers Act 1988, that is provided for and saved under Section 146 Local Government (Rating) Act 2002.

THE WEST COAST REGIONAL COUNCIL

To: Chair, West Coast Regional Council

I move that the public be excluded from the following parts of the proceedings of this meeting, namely, -

- Item 7.1

Item No.	General Subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 7 of LGOIMA for the passing of this resolution
Item 7.1	*West Coast Regional Council Employee Benefits*	*The item contains information that is subject to an obligation of confidence*	*To protect information that is subject to an obligation of confidence section 7(2)(c).*

I also move that:

- Heather Mabin, Marc Ferguson, and Kim Hibbs be permitted to remain at this meeting after the public has been excluded, because of their knowledge on these subjects. This knowledge will be of assistance in relation to the matters to be discussed; and

- The Minutes Clerk also be permitted to remain at the meeting.