

AGENDA

RĀRANGI TAKE

NOTICE OF AN ORDINARY MEETING OF

COUNCIL

to be held on **Thursday, 28 August 2025** commencing at **2.30 pm** in the Council Chambers,
36 Weld Street, Hokitika and via Zoom

Chairperson		Her Worship the Mayor
Deputy and Southern Ward Member:		Cr Cassin
Northern Ward Members:		Cr Neale, Cr Burden, Cr Phelps
Hokitika Ward Members:		Cr Baird, Cr Davidson, Cr Gillett
Southern Ward Members:		Cr Manera
Iwi Representatives:		Kw Madgwick, Kw Tumahai



In accordance with clause 25B of Schedule 7 of the Local Government Act 2002, members may attend the meeting by audio or audio-visual link.

Council Vision

By investing in our people, caring for the environment, respecting the Mana Whenua Cultural heritage, and enabling investment, growth, and development we will enrich our district and the people that reside here.

Purpose

The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002. That purpose is:

- (a) To enable democratic local decision-making and action by, and on behalf of, communities; and
- (b) To promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

1. KARAKIA TĪMATANGA OPENING KARAKIA

*Kia hora te marino
Kia whakapapa pounamu te moana
Hei hurahai mā tātou
I te rangi nei
Aroha atu, aroha mai
Tātou i a tātou katoa
Hui e! Tāiki e!*

*May peace be widespread
May the sea be like greenstone
A pathway for us all this day
Give love, received love
Let us show respect for each other
Bind us all together!*

2. NGĀ WHAKAPAAHA APOLOGIES

3. WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

Members need to stand aside from decision-making when a conflict arises between their role as a Member of the Council and any private or other external interest they might have. This note is provided as a reminder to Members to review the matters on the agenda and assess and identify where they may have a pecuniary or other conflict of interest, or where there may be a perception of a conflict of interest.

If a member feels they do have a conflict of interest, they should publicly declare that at the start of the meeting or of the relevant item of business and refrain from participating in the discussion or voting on that item. If a member thinks they may have a conflict of interest, they can seek advice from the Chief Executive (preferably before the meeting). It is noted that while members can seek advice the final decision as to whether a conflict exists rests with the member.

4. NGĀ TAKE WHAWHATI TATA KĀORE I TE RĀRANGI TAKE URGENT ITEMS NOT ON THE AGENDA

Section 46A of the Local Government Official Information and Meetings Act 1987 states:

- (7) An item that is not on the agenda for a meeting may be dealt with at the meeting if –
 - (a) the local authority by resolution so decides, and
 - (b) the presiding member explains at the meeting at a time when it is open to the public, –
 - (i) the reason why the item is not on the agenda; and
 - (ii) the reason why the discussion of the item cannot be delayed until a subsequent meeting.
- (7A) Where an item is not on the agenda for a meeting, –
 - (a) that item may be discussed at the meeting if –
 - (i) that item is a minor matter relating to the general business of the local authority; and
 - (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
 - (b) No resolution, decision, or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.

5. KA MATATAPU TE WHAKATAUNGA I TE TŪMATANUI RESOLUTION TO GO INTO PUBLIC EXCLUDED

(to consider and adopt confidential items)

Resolutions to exclude the public: Section 48, Local Government Official Information and Meetings Act 1987. The general subject of the matters to be considered while the public are excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of the resolution are as follows:

Item No.	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
1.	Confidential Minutes – Ordinary Council Meeting 24 July 2025	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
2.	Hokitika Racecourse Superlot 4 Development	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)

This resolution is made in reliance on sections 48(1)(a) and (d) of the Local Government Official Information and Meetings Act 1987 and the particular interests or interests protected by section 7 of that Act, which would be prejudiced by the holding of the relevant part of the proceedings of the meeting in public are as follows:

Item No.	Interest	Section
1	Protect the privacy of natural persons, including that of deceased natural persons	(S.7(2)(a))
1, 2	Protect information where the making available of the information:	
	(i) (ii) would disclose a trade secret; and would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	(S.7(2)(b))
1	Enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities; or	(S. 7(2)(h))
1	Prevent the disclosure of use of official information for improper gain or improper advantage.	(S.7(2)(j))

The Ordinary Council Meeting resumed at the conclusion of the Public Excluded Council Meeting.

**6. NGĀ MENETI O TE HUI KAUNIHERA
MINUTES OF MEETINGS**

Minutes circulated.

- **Ordinary Council Meeting Minutes – 24 July 2025**

(pages 6 - 18)

MINUTES TO BE RECEIVED:

Nil

7. ACTION LIST

(page 19)

Chief Executive to speak to the Action List.

**8. NGĀ TĀPAETANGA
PRESENTATIONS**

- **Transportation Update**

(pages 23 - 39)

Transportation Manager to present the item.

**9. PŪRONGO KAIMAHI
STAFF REPORTS**

- **Adoption of Water Services Delivery Plan**

(pages 40 - 46)

Chief Executive to speak to the report.

- **Statement of Intent – Westroads Limited**

(pages 47 - 67)

Chair, Westroads Limited to speak to the report.

- **Statement of Intent – Destination Westland Limited**

(pages 68 - 86)

Chair, Destination Westland Limited to speak to the report.

- **Projects and Carry Forwards 2025 – 2026**

(pages 87 - 90)

Finance Manager to speak to the report.

- **Chief Executive Credit Card**

(pages 91 - 101)

Chief Executive to speak to the report.

- **Chief Financial Officer Credit Card**

(pages 102 - 112)

Chief Executive to speak to the report.

- **Change to Recycling Fees for Commercial Users**

(pages 113 - 115)

Group Manager, District Assets, to speak to the report.

- **Continuation of Hokitika Joint Committee and Franz Josef Joint Committee**

(pages 116 - 132)

Chief Executive to speak to the report.

10. ADMINISTRATIVE RESOLUTION

Council is required to confirm its Seal being affixed to the following documents:

- Warrant of Appointment –

Noise Control Officer: Benjamin Roundhill	Certificate of Appointment I certify that I have appointed Benjamin Roundhill as an Authorised Officer with various functions, powers, duties, and discretions pursuant to the following Acts: To act in the Westland District as: <ul style="list-style-type: none">* An Officer pursuant to Section 174 of the Local Government Act 2002; AND* An Officer under the Westland District Council Bylaws; AND* An Enforcement Officer pursuant to Section 38 of the Resource Management Act 1991; AND* Authority to exercise all of the functions and powers of an Enforcement Officer under Sections 327 and 328 (which relate to excessive noise) of the Resource Management Act 1991.
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**DATE OF NEXT ORDINARY COUNCIL MEETING – 25 SEPTEMBER 2025 AT 1.00 PM
COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM**

ORDINARY COUNCIL MINUTES

MINUTES OF THE ORDINARY COUNCIL MEETING OF WESTLAND DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM ON THURSDAY 24 JULY 2025 COMMENCING AT 1.00 PM

The Council Meeting was live-streamed to the Westland District Council YouTube Channel and presentations are made available on the Council Website.

1. KARAKIA TĪMATANGA OPENING KARAKIA

The opening Karakia was led by Her Worship the Mayor.

2. MEMBERS PRESENT AND APOLOGIES

Chairperson:	Her Worship the Mayor
Deputy and Southern Ward Member:	Cr Cassin
Northern Ward Members:	Cr Neale, Cr Burden
Hokitika Ward Members:	Cr Baird, Cr Gillett, Cr Davidson
Southern Ward Members:	Cr Manera
Iwi Representatives:	Kw Madgwick, Kw Tumahai

NGĀ WHAKAPAAHA APOLOGIES

Cr Phelps
Kw Tumahai for lateness

Moved Cr Neale, seconded Cr Manera and **Resolved** that the apology from Cr Phelps and Kw Tumahai for lateness be received and accepted.

STAFF PRESENT

B. Phillips, Chief Executive; E. Bencich, Group Manager District Assets; D. Maitland, Executive Assistant; N. Sinclair, Senior Administrator.

Staff present for part of the meeting:

J. Visser, Facilities and Property Manager; P. Cannell, 3 Waters Asset Engineer; M. Ross, 3 Waters Engineer; C. Stanton, Rates Officer; A. Paulsen, Asset Strategy and Development Manager.

Also present for part of the meeting:

B. Agnew and G. Jellie, Three Mile Domain Committee; B. Gaiger, Westland Industrial Heritage Park.

3. **WHAKAPUAKITANGA WHAIPĀNGA
DECLARATIONS OF INTEREST**

The Interest Register had been circulated to the Mayor and Councillors. There were no changes made to the Interest Register.

4. **NGĀ TAKE WHAWHATI TATA KĀORE I TE RĀRANGI TAKE
URGENT ITEMS NOT ON THE AGENDA**

There were no urgent items to be added to the agenda.

5. **NGĀ MENETI O TE HUI KAUNIHERA
MINUTES OF MEETINGS**

Extraordinary Council Meeting Minutes (Local Waters Done Well Consultation) – 26 June 2025

Moved Cr Burden, seconded Cr Baird and **Resolved** that the Minutes of the Extraordinary Council Meeting (Local Waters Done Well Consultation) held on **26 June 2025** be confirmed as a true and correct record of the meeting.

The Chair approved her digital signature being added to the confirmed Extraordinary Ordinary Council Meeting Minutes (Local Waters Done Well Consultation) of 26 June 2025.

Ordinary Council Meeting Minutes – 26 June 2025

Moved Cr Baird, seconded Cr Manera and **Resolved** that the Minutes of the Ordinary Council Meeting held on **26 June 2025** be confirmed as a true and correct record of the meeting.

The Chair approved that her digital signature be added to the confirmed Ordinary Council Meeting Minutes of 26 June 2025.

Minutes to be received from Standing Committees:

Nil

6. **ACTION LIST**

The Chief Executive spoke to the Action List.

Item No.	Date Added	Item	Action	Completion Target Date	Officer	Current Status	Date and Next Steps
1.	26.08.21	(1) Council Headquarters, 36 Weld Street and (2) Pakiwaitara Building, 41 Weld	Business case for the scope of work after structural analysis and report.	April 25	Group Manager District Assets	Council resolved on the 22 May 2025 to put the Pakiwaitara Building on the market	These items combined were on the agenda for the 24 July 2025 Council Meeting.

Item No.	Date Added	Item	Action	Completion Target Date	Officer	Current Status	Date and Next Steps
		Street, Hokitika	Options to be reported back to Council at the 26 June Ordinary Council meeting.			immediately, with a caveat that investigations be undertaken to provide costings on two alternative options for the Council building, namely: i) Demolished and rebuild on the Pakiwaitara site. ii) To occupy the Hokitika Government Building.	
2.	26.09.24	Hokitika Museum Trust Board Formation	Information regarding the formation of a Trust Board		Community Services Manager	Her Worship the Mayor advised that before a Trust is established, there needs to be an understanding of the current management structure, staffing, operational costs, a full set of financial records, including operational costs, the proposed future plans, and the future projections of the Museum.	The Hokitika Museum Trust Working Group met on 1 July 2025. The draft Terms of Reference will be brought back to the 28 August 2025 Council meeting.

Item No.	Date Added	Item	Action	Completion Target Date	Officer	Current Status	Date and Next Steps
3.	28.11.24	Hokitika CBD Strategy	Working Group to be established .	May 25	Group Manager District Assets	<p>This process is currently underway.</p> <ul style="list-style-type: none"> Community parking questionnaire closed 20 December 2024. Review current feedback and hold further workshops from February 2025. 	<p>A meeting of the Hokitika CBD Strategy Group was held on 10 June 2025.</p> <p>Further meeting outcomes will be reported back to Council in due course.</p>
4.	27.03.25	West Coast Wilderness Trail	A further meeting of the Working Group to be scheduled and Terms of Reference to be tabled at a future Council meeting for adoption.	March 2025	Mayor	<p>Her Worship the Mayor advised that there will be another Working Group meeting held, after which time the Terms of Reference will be tabled at a future Council meeting.</p>	<p>A meeting of the West Coast Wilderness Trail Working Group was held on 14 July 2025 where amendments to the membership of the draft Terms of Reference were made, namely Sue Stile, Ross Beach Top 10 and Cindy Hopper, West Coast Scenic Waterways as elected representatives of the Trail Partners. Cr Gillett resigned from the Working Group and was replaced by Cr Baird.</p> <p>The next meeting is scheduled for 12 September 2025 where the Terms</p>

Item No.	Date Added	Item	Action	Completion Target Date	Officer	Current Status	Date and Next Steps
							of Reference will be adopted, providing no further amendments are made.
5.	17.04.25	Hokitika Racecourse Development			Chief Executive		A quarterly update was on the agenda for the 24 July 2025 Council meeting.
6.	22.05.25	Lake Kaniere	Request for a round table meeting to discuss issues at Lake Kaniere.		Chief Executive	<p>Various items relating to Lake Kaniere were raised at the 22 May 2025 Extraordinary Council Meeting.</p> <p>There was a request for a round table meeting to discuss those issues raised regarding Lake Kaniere. A roundtable discussion will be scheduled in July and reported via the Chief Executive's Quarterly report to Council on 24 July.</p>	<p>It was not possible to arrange a meeting in July with all parties, including Paul Breeze.</p> <p>The Chief Executive will inform Councillors out of session of the meeting date once arranged and provide an update to Councillors at the 28 August 2025 Council meeting.</p>
7.	22.05.25	Hokitika Westland isite			Chief Executive	Councillors discussed the costs for the isite and West Coast Wilderness Trail at their	Cr Burden was provided with the minutes of the Council Workshop - CCO Review from 10 August 2023, and minutes of the

Item No.	Date Added	Item	Action	Completion Target Date	Officer	Current Status	Date and Next Steps
						meeting on 22 May 2025. Cr Burden asked to review what was resolved in the CCO Workshop meeting relating to the isite. Chief Executive to review minutes of Workshop minutes from approximately two years ago and report back.	publicly excluded Council meeting on 23 November 2023, along with the recordings of each meeting. Councillors asked that the link to the recordings be made available to all Elected Members and Iwi representatives. Chief Executive to convene a small working group to provide an overview of Council's CCO investments such as the isite and West Coast Wilderness Trail.

Moved Cr Davidson, seconded Deputy Mayor Cassin and **Resolved** that:

1. The updated Action List be received.

7. NGĀ TĀPAETANGA PRESENTATIONS

- **Three Mile Domain Committee Funds**

B. Agnew and G. Jellie, Three Mile Domain Committee, presented the item, with B. Gaiger, Westland Industrial Heritage Park, in attendance to answer questions as required.

Topics discussed:

- The Three Mile Domain Committee were seeking an endorsement of funds for the Hokitika Industrial Heritage Park.
- As background, when the Three Mile Hall was classed unsuitable for public use, it was leased to Coastpak Holdings Ltd. Funds received from the lease, combined with fundraising, enabled the Committee to accrue over \$200,000.
- In 1991, Westland District Council took over the functions of the Three Mile Domain as part of the 1989 Government reforms. There was a mutual agreement that Council would liaise with the Committee regarding funding allocations to other organisations.

- Three Mile Domain Committee funding has previously been distributed to the Lazer Park makeover.
- The motion passed at the 31 March 2025 Three Mile Domain Committee meeting read as follows:

The balance of the Three Mile Domain fundraising monies as at 31 March 2025 is \$85,414.22.

The planned Three Mile book production and interpretation panels estimated cost of \$35,000 (including price increases) will remain in the Three Mile Domain account and will be drawn down by the Committee. These projects may take approximately another year to finalise but are being worked on.

A balance of \$50,000.00 be immediately allocated to the Westland Industrial Heritage Park to assist their Committee with seed funding."

The motion was passed unanimously by all Committee members of the Three Mile Domain Committee.

- The funding will be spent on the Heritage Craft Centre.
- Council to investigate adding the property to the Land Review currently underway.

Council agreed unanimously to endorse the transfers of funds from the Three Mile Domain Committee to the Hokitika Industrial Heritage Park. Council will confirm the endorsement in writing to the Three Mile Domain Committee.

8. PŪRONGO KAIMAHI STAFF REPORTS

This item was taken out of order from the agenda.

• Chief Executive's Quarterly Report – 1 January to 30 June 2025

The Chief Executive spoke to the report.

Highlights:

- An IANZ assessment was undertaken in the Building Consent Authority (BCA) and no serious or high-level issues were identified. The audit identified 8 minor non-conformances in total and 2 were cleared while IANZ were on site. Overall, the BCA is performing well. A formal audit summary will be provided in due course.
- Discussed the trend of reported incidents at the Hokitika Swimming Pool along with contractors' lack of health and safety documentation. The Chief Executive confirmed that these incidents were routinely reported to the Health and Safety Committee.
- A culture change is envisaged as part of the Setting up for Success programme where positive communications to the media will be encouraged to provide a more balanced view of the work the Council does to the public.
- The Mayors Taskforce for Jobs (MTFJ) Manager attended the two-day MTFJ conference in Christchurch on 16-17 July with Her Worship the Mayor. A presentation to the new Council will be provided on the work carried out by MTFJ.

- The Chief Executive to report back to Kw Madgwick on when the Welcoming Communities programme funding is due to finish.
- Discussed the NZTA's request that future resealing targets increase from 4.5% to 9% annually.
- The Chief Executive to look into providing a Transportation Update every 6 months to Council. The last update was approximately 12 months ago.

Moved Cr Baird, seconded Deputy Mayor Cassin and **Resolved** that:

- 1.1 The Quarterly Report from the Chief Executive dated 24 July 2025 be received.

Kw Tumahai arrived at the meeting at 1.33 pm.

- **Draft Hokitika Museum Advisory Committee Terms of Reference**

The item was discussed in the Action Items.

- **Hokitika Swimming Pool Roof**

The Facilities and Property Manager spoke to the report.

- The purpose of the report was to provide clarification on the breakdown of costs for the roof and floor upgrades to the Hokitika Swimming Pool as requested by Council at the Extraordinary Council meeting on 22 May 2025.
- The cost for repairs have not been rated as it is budgeted for 2026-27. During the next financial year, the information will be presented to Council for a resolution to be made on how to proceed.

Moved Cr Baird, seconded Cr Davidson and **Resolved** that:

- 1.1 Council receives the report.
- 1.2 Council approves Option 1: Council are satisfied that the clarification of costs for the roof and floor upgrades at the Hokitika Swimming Pool have been provided to enable Council to decide on how to proceed in the future.
- 1.3 The reason that Option 1 has been identified as the preferred option is that this report is only a clarification on the cost split between the roof and floor upgrades.

- **Rates Write-Off and Remissions 2024-25**

The Rates Officer spoke to the report.

Highlights:

- The purpose of the report is to request Council approve to write-off rates debt deemed uncollectable and to apply remissions for the financial year ending 30 June 2025.
- The report showed that Agreements were trending upwards. This was due to people paying slightly later.
- Council has a remissions policy for new subdivision developments. Once a development is completed, the developer can apply for their subdivision for up to two years where they are remitted the UAGC Community Rate. There was no such policy in the 2023/24 period.
- There was no Airbnb adjustment for this period. Council has performed well through this period in capturing Airbnb properties. There has been a decline in Airbnb

operations. A review of the Franz Josef and Fox Glaciers areas will be undertaken in the 2025-26 financial year.

- Public awareness of their options for payment plans for rates was discussed. Council has a 33% direct debit base presently. This is average compared to the rest of the country. A direct debit form is attached to every rate bill sent out.
- Council is investigating the communication strategy to wrap around the rates process so that people have a clearer understanding of what they are paying for, such as an information pamphlet.

Moved Cr Davidson, seconded Cr Baird and **Resolved** that:

- 1.1 The report be received.
- 1.2 Council approves the total proposed rates write-offs and remissions of \$284,298 including GST.

Cr Burden left the meeting at 1.55pm and returned at 1.57pm. Cr Burden was not in attendance for the resolution.

9. ADMINISTRATIVE RESOLUTION

The following items were taken out of order to the agenda papers.

Moved Deputy Mayor Cassin, seconded Cr Neale and **Resolved** that Council affix its Seal to the following Warrants of Appointments:

<p>Noise Control Officer: Logan Roy Ogilvie</p>	<p>An Authorised Officer with various functions, powers, duties and discretions pursuant to the following Acts: To act in the Westland District as:</p> <ul style="list-style-type: none"> • An Officer pursuant to Section 174 of the Local Government Act 2002; AND • An Officer under the Westland District Council Bylaws; AND • An Enforcement Officer pursuant to Section 38 of the Resource Management Act 1991; AND • Authority to exercise all of the functions and powers of an Enforcement Officer under Sections 327 and 328 (which relate to excessive noise) of the Resource Management Act 1991
<p>Project Manager – Water Delivery Services: Jakobus Smit</p>	<p>An Authorised Enforcement Officer pursuant to Sections 164, 168, 172, 174 & 177 of the Local Government Act 2002;</p> <ul style="list-style-type: none"> • An Enforcement Officer under the Westland District Council Bylaws; • An Enforcement Officer under Sections 38, 332 & 333 (Including Powers of Entry and Search) of the Resource Management Act 1991; • An Authorised Officer (General Powers) under Section 23 of the Health Act 1956; • An Authorised Officer (Inspections) under Section 222 of the Building Act 2004; • An Engineer under the Water Supplies Protection Regulations 1961;

	<ul style="list-style-type: none"> • An Authorised Person under Sections 110 & 111 of the Public Works Act 1981; • An Authorised Officer under Sections 355, 357 & 468 of the Local Government Act 1974
Senior RMA Compliance Officer Jason Nairn	To act in the Westland District as: <ul style="list-style-type: none"> • An Officer pursuant to s 174 of the Local Government Act; AND • An Officer under the Westland District Council Bylaws; AND • Enforcement Officer pursuant to s 38 of the Resource Management Act 1991, including the power of entry pursuant to s 332 and s 333 of the Resource Management Act 1991.

8. PŪRONGO KAIMAHI STAFF REPORTS cont.

• **Future Delivery of Water Services**

The Chief Executive spoke to the report.

Topics discussed:

- The purpose of the report was to adopt a recommendation for the future delivery of water services arising from the requirements of Local Water Done Well Legislation.
- Consultation was completed by Council from 16 May to 16 June 2025.
- The Local Waters Done Well Hearing and Deliberations took place on 26 June 2025.
- Council met with the Department of Internal Affairs (DIA) on 9 July 2025. DIA advised there would be a significant increase in monitoring and reporting requirements alongside comprehensive economic regulation which would require an increase in staff if Council were to proceed with an in-house business unit.
- An internal business unit would require new financial and IT systems.
- Initial discussions with Grey and Buller Councils were underway to discuss key governance decisions. Further discussions were needed to reach an agreement on the principles within the negotiation brief and a meeting has been provisionally set for 31 July 2025, pending the resolution from the Council.
- Considerations for the establishment of a joint Council Controlled Organisation with Grey and Buller District Council related to governance, ownership, risks for implementation, long-term risk, and financial sustainability.
- There are advantages to working in collaboration with the other West Coast District Councils that could provide long-term benefits and be more cost-effective for communities across the West Coast.
- The legislative timeframe for submitting a Water Services Delivery Plan to the DIA is 3 September 2025.

Moved Cr Manera, seconded Cr Davidson and **Resolved** by way of a show of hands that:

- 1.1 The report be received.
- 1.2 Council approves to progress with the establishment of a joint water organisation owned by Westland, Grey and Buller District Councils.

Cr Manera, Cr Davidson, Cr Neale, Deputy Mayor Cassin and Her Worship the Mayor voted for the motion.

Cr Gillett, Cr Burden and Cr Baird voted against the motion.

The motion was carried.

Pensioner Housing and CCO Review

Cr Gillett requested that an item regarding pensioner housing be added to the agenda of the 28 August 2025 Council meeting to provide direction on where pensioner housing should sit within Council.

To assist with this, staff will share the recordings of the Council Workshop - CCO Review from 10 August 2023 and the publicly excluded Council meeting on 23 November 2023 to Councillors.

10. KA MATATAPU TE WHAKATAUNGA I TE TŪMATANUI RESOLUTION TO GO INTO PUBLIC EXCLUDED (to consider and adopt confidential items)

Moved Cr Gillett, seconded Cr Baird and **Resolved** that Council confirm that the public were excluded from the meeting in accordance with Section 48, Local Government Official Information and Meetings Act 1987 at 2.46 pm.

The general subject of the matters to be considered while the public are excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of the resolution are as follows:

Item No.	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
1.	Confidential Minutes – Ordinary Council Meeting 26 June 2025	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
2.	Enabling Infrastructure Project – Hokitika Racecourse Development Update on Superlots 3 and 4.	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
3.	Options for Council Headquarters	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.

Item No.	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
			Section 48(1)(a)
4.	Staffing Update	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
5.	Westreap Contract Update	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)

This resolution is made in reliance on sections 48(1)(a) and (d) of the Local Government Official Information and Meetings Act 1987 and the particular interests or interests protected by section 7 of that Act, which would be prejudiced by the holding of the relevant part of the proceedings of the meeting in public are as follows:

Item No.	Interest	Section
1, 4	Protect the privacy of natural persons, including that of deceased natural persons	(S.7(2)(a))
1, 2, 5	Protect information where the making available of the information:	
	(i) (ii) would disclose a trade secret; and would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	(S.7(2)(b))
3	Maintain the effective conduct of public affairs through: (i) the free and frank expression of opinions by or between or to members or officers or employees of any local authority, or any persons to whom section 2(5) applies, in the course of their duty; or (ii) the protection of such members, officers, employees, and persons from improper pressure or harassment; or	(S. 7(2)(f))
1	Enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities; or	(S. 7(2)(h))
1	Prevent the disclosure of use of official information for improper gain or improper advantage.	(S.7(2)(j))

Moved Cr Baird, seconded Cr Neale and **Resolved** that the business conducted in the 'Public Excluded Section' be confirmed, and accordingly, the meeting went back to the open part of the meeting at 4.12 pm.

MEETING CLOSED AT 4.12 PM

**DATE OF NEXT ORDINARY COUNCIL MEETING – 28 AUGUST 2025 AT 1.00 PM
COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM**

Confirmed by the Council at their meeting held on 28 August 2025.

Mayor Helen Lash
Chair

Date: 28 August 2025

Council Meeting Action List – 28 August 2025

Item No.	Date Added	Item	Action	Completion Target Date	Officer	Current Status	Date and Next Steps
1.	26.08.21	(1) Council Headquarters, 36 Weld Street and (2) Pakiwaitara Building, 41 Weld Street, Hokitika	Business case for the scope of work after structural analysis and report. Options to be reported back to Council at the 26 June Ordinary Council meeting.	April 25	Group Manager District Assets	Council resolved on the 22 May 2025 to put the Pakiwaitara Building on the market immediately, with a caveat that investigations be undertaken to provide costings on two alternative options for the Council building, namely: i) Demolished and rebuild on the Pakiwaitara site. ii) To occupy the Hokitika Government Building.	These items combined were on the agenda for the 24 July 2025 Council Meeting.
2.	26.09.24	Hokitika Museum Trust Board Formation	Information regarding the formation of a Trust Board		Community Services Manager	Her Worship the Mayor advised that before a Trust is established, there needs to be an understanding of the current management structure, staffing, operational costs, a full set of financial records, including operational	The Hokitika Museum Trust Working Group met on 1 July 2025. The draft Terms of Reference will be brought back to the 28 August 2025 Council meeting.

28.08.25 – Council Meeting Action List

Item No.	Date Added	Item	Action	Completion Target Date	Officer	Current Status	Date and Next Steps
						costs, the proposed future plans, and the future projections of the Museum.	
3.	28.11.24	Hokitika CBD Strategy	Working Group to be established.	May 25	Group Manager District Assets	<p>This process is currently underway.</p> <ul style="list-style-type: none"> Community parking questionnaire closed 20 December 2024. Review current feedback and hold further workshops from February 2025. 	<p>A meeting of the Hokitika CBD Strategy Group was held on 10 June 2025.</p> <p>The next meeting is scheduled for 29 August 2025.</p>
4.	27.03.25	West Coast Wilderness Trail	A further meeting of the Working Group to be scheduled and Terms of Reference to be tabled at a future Council meeting for adoption.	March 2025	Mayor	Her Worship the Mayor advised that there will be another Working Group meeting held, after which time the Terms of Reference will be tabled at a future Council meeting.	<p>A meeting of the West Coast Wilderness Trail Working Group was held on 14 July 2025 where amendments to the membership of the draft Terms of Reference were made, namely Sue Stile, Ross Beach Top 10 and Cindy Hopper, West Coast Scenic Waterways as elected representatives of the Trail Partners. Cr Gillett resigned from the Working Group and was replaced by Cr Baird.</p> <p>The next meeting is scheduled for 12 September 2025 where the Terms of Reference will be adopted,</p>

28.08.25 – Council Meeting Action List

Item No.	Date Added	Item	Action	Completion Target Date	Officer	Current Status	Date and Next Steps
							providing no further amendments are made.
5.	17.04.25	Hokitika Racecourse Development			Chief Executive		A quarterly update was provided at the 24 July 2025 Council meeting.
6.	22.05.25	Lake Kaniere	Request for a round table meeting to discuss issues at Lake Kaniere.		Chief Executive	<p>Various items relating to Lake Kaniere were raised at the 22 May 2025 Extraordinary Council Meeting.</p> <p>There was a request for a round table meeting to discuss those issues raised regarding Lake Kaniere. A roundtable discussion will be scheduled in July and reported via the Chief Executive's Quarterly report to Council on 24 July.</p>	A meeting was held with Her Worship the Mayor, Group Manager District Assets, and Mr and Mrs Breeze on 12 August 2025.
7.	22.05.25	Hokitika Westland isite			Chief Executive	<p>Councillors discussed the costs for the isite and West Coast Wilderness Trail at their meeting on 22 May 2025.</p> <p>Cr Burden asked to review what was resolved in the CCO</p>	Cr Burden was provided with the minutes of the Council Workshop - CCO Review from 10 August 2023 and minutes of the publicly excluded Council meeting on 23 November 2023.

28.08.25 – Council Meeting Action List

Item No.	Date Added	Item	Action	Completion Target Date	Officer	Current Status	Date and Next Steps
						Workshop meeting relating to the isite. Chief Executive to review minutes of Workshop minutes from approximately two years ago and report back.	All Councillors were provided with the recordings of the meetings. Chief Executive to convene a small working group to provide an overview of Council's current investments, such as the isite, West Coast Wilderness Trail, and tourism experience.

Report to Council



DATE: 28 August 2025

TO: Mayor and Councillors

FROM: Transportation Manager

6 MONTHLY TRANSPORTATION REPORT

1. Summary

- 1.1. This report provides part of a regular 6-monthly update to Council on matters related to the roading network and Council's Land Transport activity. It provides a narrative to the attached PowerPoint presentation referenced as Appendix 1.
- 1.2. There are four main topics that will be covered in this report, and those are as follows:
 - 1.2.1 The Transport Insights Web tool that has been developed by the industry (NZ Transport Agency (NZTA), Road Controlling Authority (RCA) and Roothing Efficiency Group (REG)) which shows each RCA's performance at a national level.
 - 1.2.2 Some background on REG and how this Council is involved.
 - 1.2.3 What additional ministerial requirements we are required to report on.
 - 1.2.4 What works we have planned for this financial year.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2021, which are set out in the Long-Term Plan 2021 - 31. Refer page 2 of the agenda.
- 1.4. This report concludes by recommending that Council receive the report.

2. Background

- 2.1. The reason the report has come before the Council is due to the need for regular updates to ensure that Councillors are kept updated on current transport works.

3. Presentation Topics

- 3.1. **Transport Insights Tool** - This has been developed as part of a collaboration between Local Government NZ, NZTA and REG to create an openly available benchmarking tool that can showcase how every RCA in New Zealand is performing across a range of measurable outcomes. It also provides a range of useful statistical metrics related to each district. The presentation will cover these in more detail and provide some guidance on how to interpret that information.
- 3.2. **What is The Roothing Efficiency Group? (REG)** – Council has been involved with REG since it's inception out of the Road Maintenance Task Force. The presentation will dive deeper into how this Council is involved and what REG does for the industry.

3.3. **Ministerial Requirements and Reporting** – The present government (through the Minister for Transport) has established a range of industry directives (such as reducing the costs of temporary traffic management, and the “Road Cone Hotline” for reporting of road cone overuse). These directives have placed additional reporting strains on RCAs and are likely to add additional costs for network management at a time when we are already faced with funding challenges across the board.

3.4. **What are we planning this year?** – While we are not planning anything significant, there are several activities where we will be focusing our efforts this fiscal year. Much of this work is business-as-usual activities. Funding constraints in activities such as footpath maintenance/renewals mean that we will focus more on condition inspections and maintenance, as the available approved budget does not allow enough for renewal works. Council’s bridge infrastructure is where a larger focus is being placed to update the Bridge Lifecycle Management Plan developed several years ago. This will help set the focus on any replacement/renewal program for inclusion in the next National Land Transport Plan (NLTP). Improvements that have been made in the Council's Roading Management Database mean that we can report scheduled forward works in a better way. The team are working on tools to help in keeping the public better informed with what work is coming up.

4. Options

4.1. Option 1: Council receive the report.

4.2. Option 2: Council do not receive the report.

5. Risk Analysis

5.1. Risk has been considered, and no risks have been identified.

6. Health and Safety

6.1. Health and Safety has been considered, and no items have been identified.

7. Significance and Engagement

7.1. The level of significance has been assessed as being low.

7.1.1.No public consultation is considered necessary.

8. Assessment of Options (including Financial Considerations)

8.1. Option 1 – Council receives the report. The report is for information purposes only.

8.1.1.There are no financial implications to this option.

8.2. Option 2 – Council do not receive the report. The report is for information purposes only.

8.2.1.There are no financial implications to this option.

9. Preferred Option and Reasons

9.1. The preferred option is Option 1, which is for Council to receive the report.

9.2. The reason that Option 1 has been identified as the preferred option is that the report is only provided for information; there is no outcome being sought.

10. Recommendation(s)

- 10.1. That the report be received.
- 10.2. That Council resolves to receive the report as presented.

Karl Jackson
Transportation Manager

Appendix 1: 28 August 2025 Transportation Update Presentation.pptx

WDC Transportation Update

- August 2025



Topics Covered

- Transport Insights Tool
 - An overview of the web portal and WDC Roding Performance at a National Level
- What is REG? (Te Ringa Maimoa)
 - How are WDC Involved?
- Ministerial Requirements & Reporting
 - What extra reporting are we doing?
- What are we planning this year?



- Home
- Competency Assessment
- Performance
- ONRC
- ONF
- Data Quality
- Evidence
- Help & Support

Road Safety
2023/24

Road Condition
2023/24
-0.5-
Ride Quality STE

Activity Management

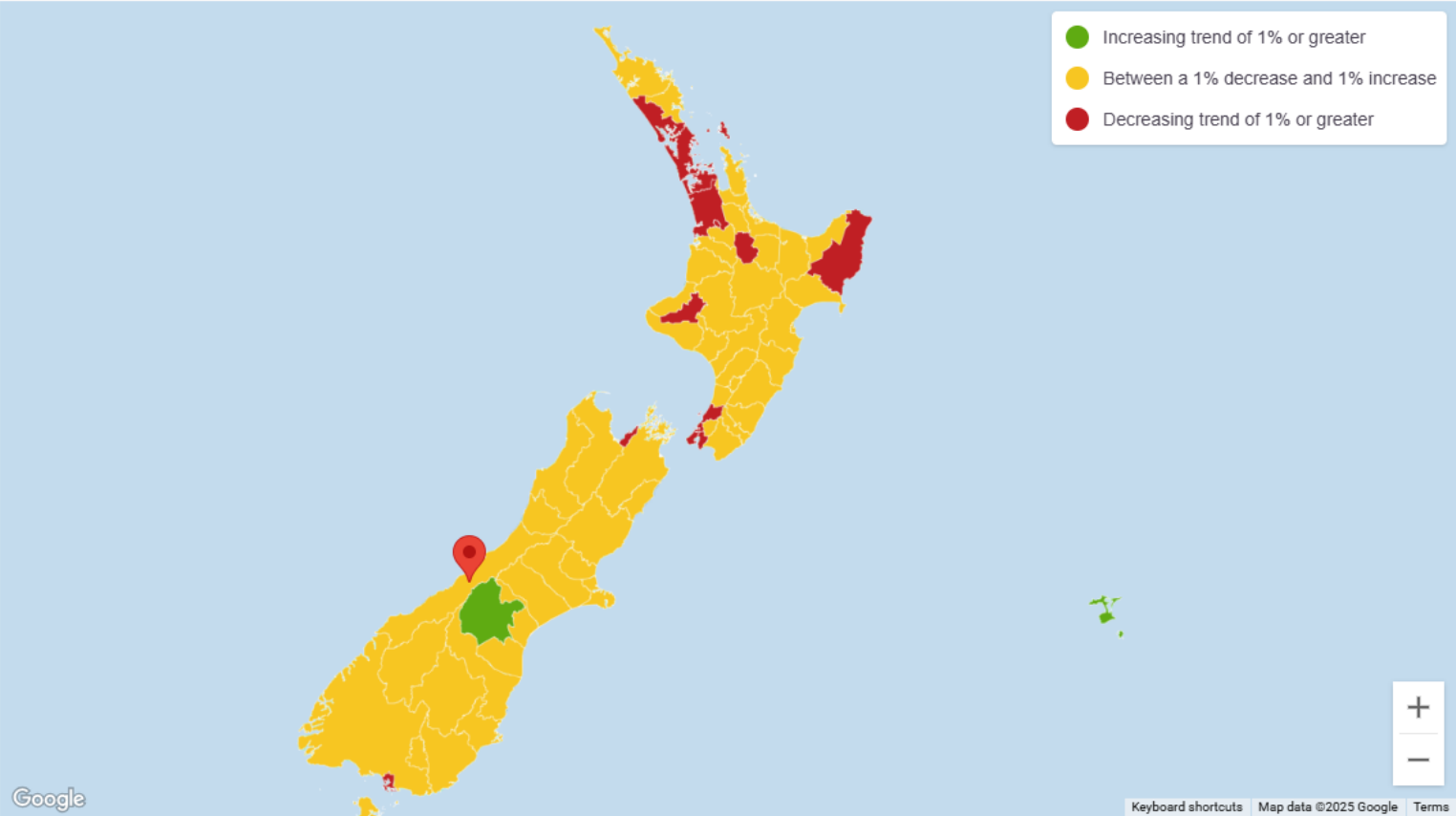
Co-Investor Assurance

Service Performance
2023/24

Data Quality
2023/24

Road Condition

Show Detail >



Network Lengths	2024/25
710	Total (km)
68	Urban (km)
642	Rural (km)
393	Sealed (km)
10	Primary Collector (km)
133	Secondary Collector (km)
201	Access (km)
366	Low Volume (km)
46	Annual Journeys (M VKT)
ONRC Network Characteristics	
ONF Network Characteristics	

- Home
- Competency Assessment
- Performance

Dashboard

Annual Reports
- ONRC
- ONF
- Data Quality
- Evidence
- Help & Support

Performance Dashboard

Advanced view



Value for Money, Efficiency & Effectiveness

Value for Money

Efficiency

Effectiveness

Benchmarked by peer group

2023/24

Service Performance

0.0%

Non-financial performance measure achievement

2023/24

Transport Programme Delivery

100%

Proportion of 3 year budget (%)

2023/24

Road Maintenance Delivery

37%

Budget variance (%)

2024/25Q3 (LTP)

Road Safety

3.6

Trend and average number of fatal & serious injuries over 5 years

2023/24

Road Condition

-0.5%

Change in ride quality on sealed roads

2023/24

Temporary Traffic Management

13%

Proportion of year to date maintenance expenditure (%)

2024/25Q3 (YTD)

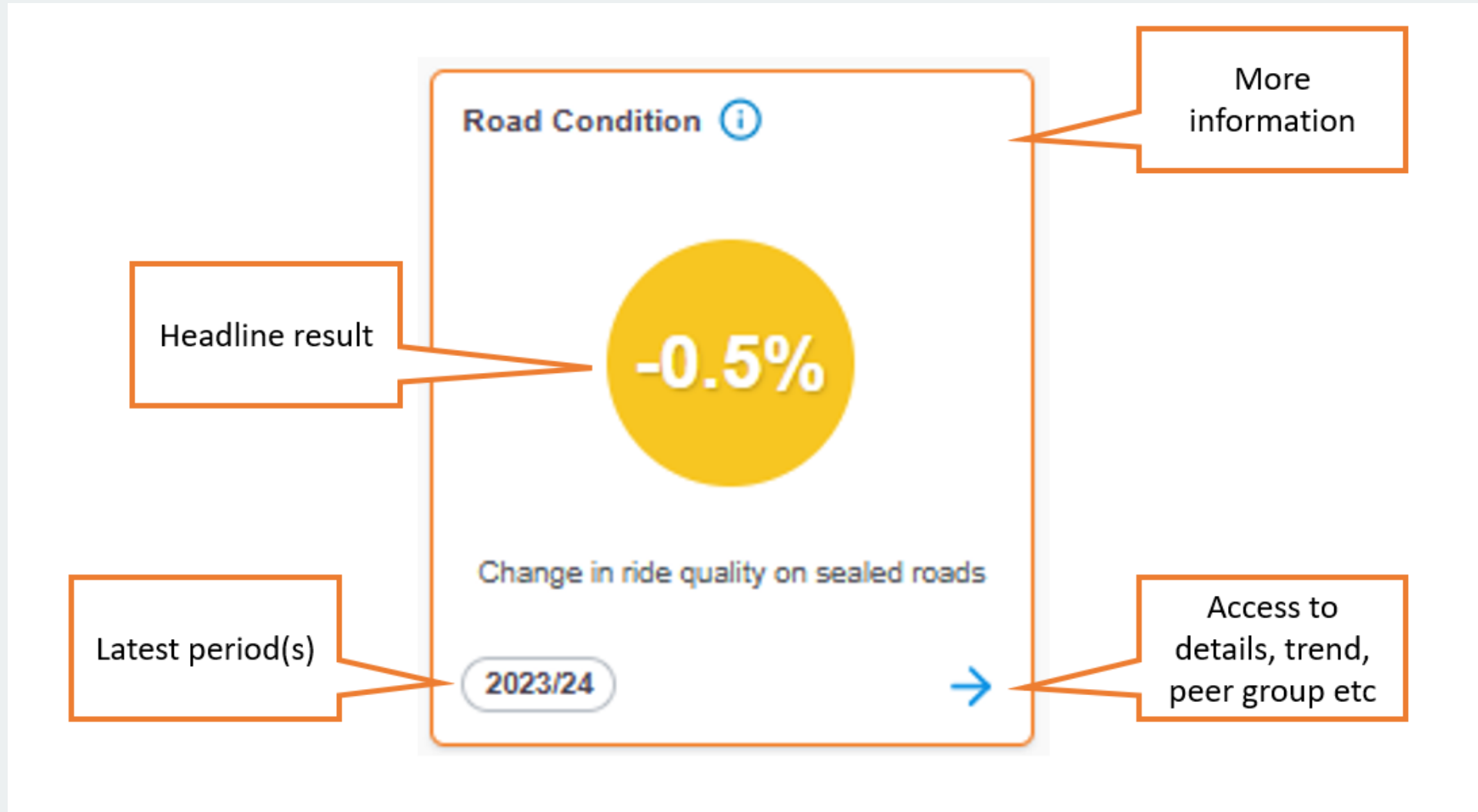
Activity Management

Asset management planning & data quality

Network Statistics




Population	Maintenance (\$/km)	Budget (\$M)	Valuation (\$M)	Expenditure (\$M)
9,270	\$7,279	\$17.6	\$295	\$5.7
2023/24	2023/24	2023/24	2023/24	2023/24
Expenditure per capita	Total roads (km)	Total cycleways (km)	No. of bridges	FAR
\$599	759	108.4	278	62%
2023/24	2023/24	2023/24	2023/24	2023/24

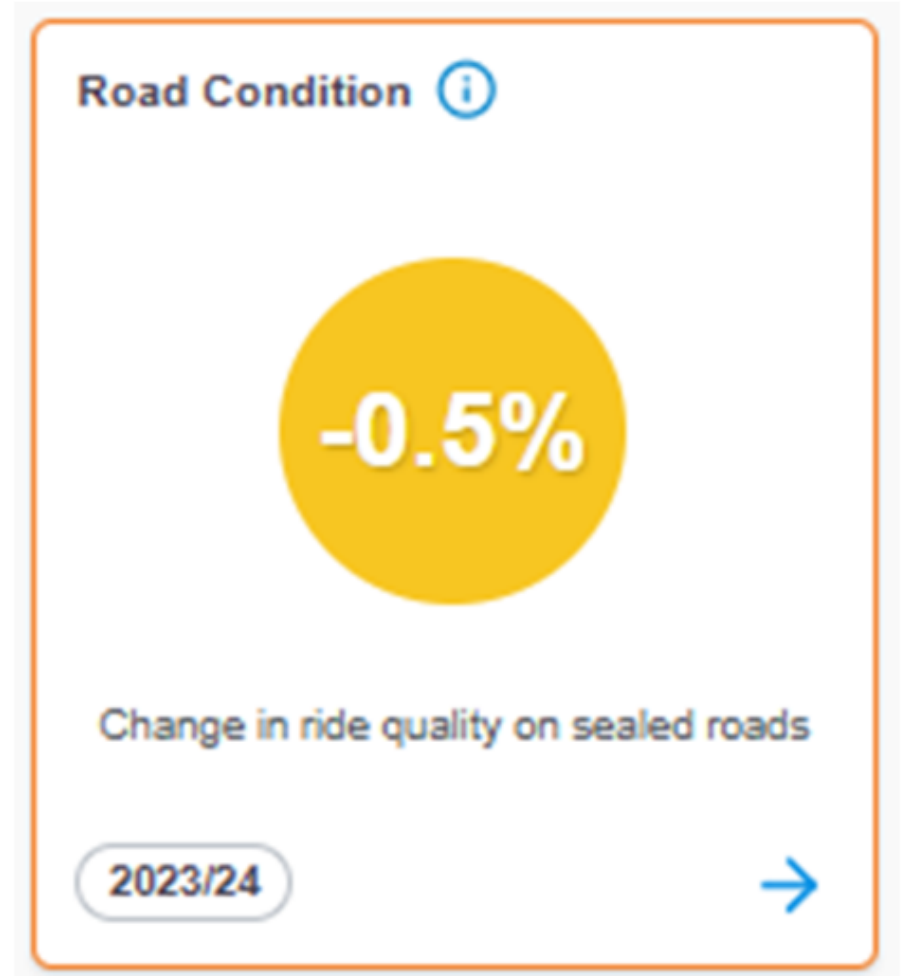
Performance dashboard tile navigation



More information example – road condition

The trend in the amount of traffic travelling on smooth sealed roads, including the ride quality experienced by the road user.

-  Increasing trend of 1% or greater
-  Between a 1% decrease and 1% increase
-  Decreasing trend of 1% or greater



Drill down example – Road Condition

Road Condition

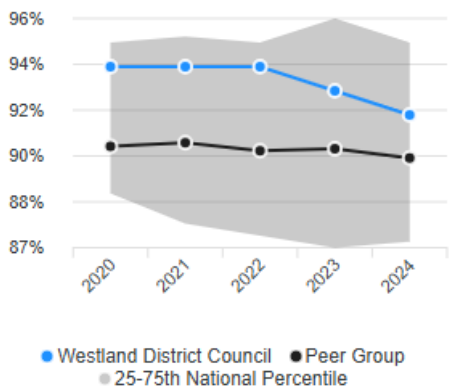
Amenity and Road Condition

-0.5% Ride Quality (STE) as at 2023/24

Amenity (Sealed Roads) ⓘ

2023/24

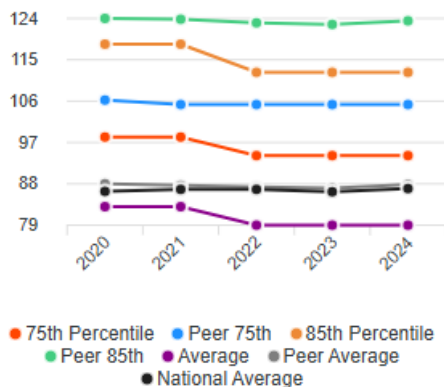
Ride quality (roughness of the roads)



Road Roughness (Sealed Roads) ⓘ

2023/24

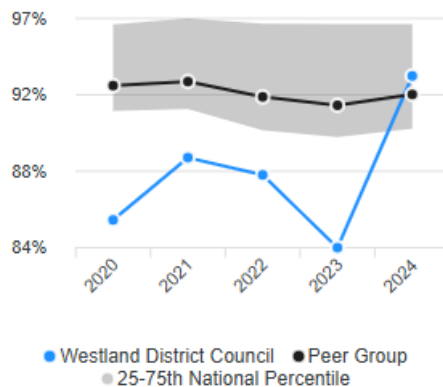
Peak and average road roughness (NAA SRA)



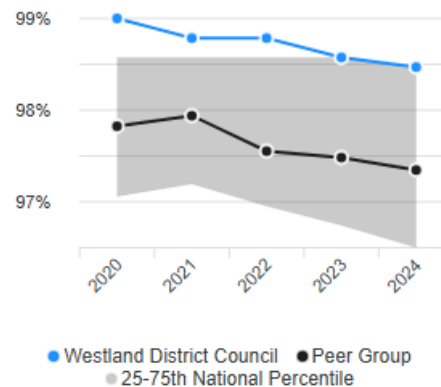
Road Condition (Sealed Roads) ⓘ

2023/24

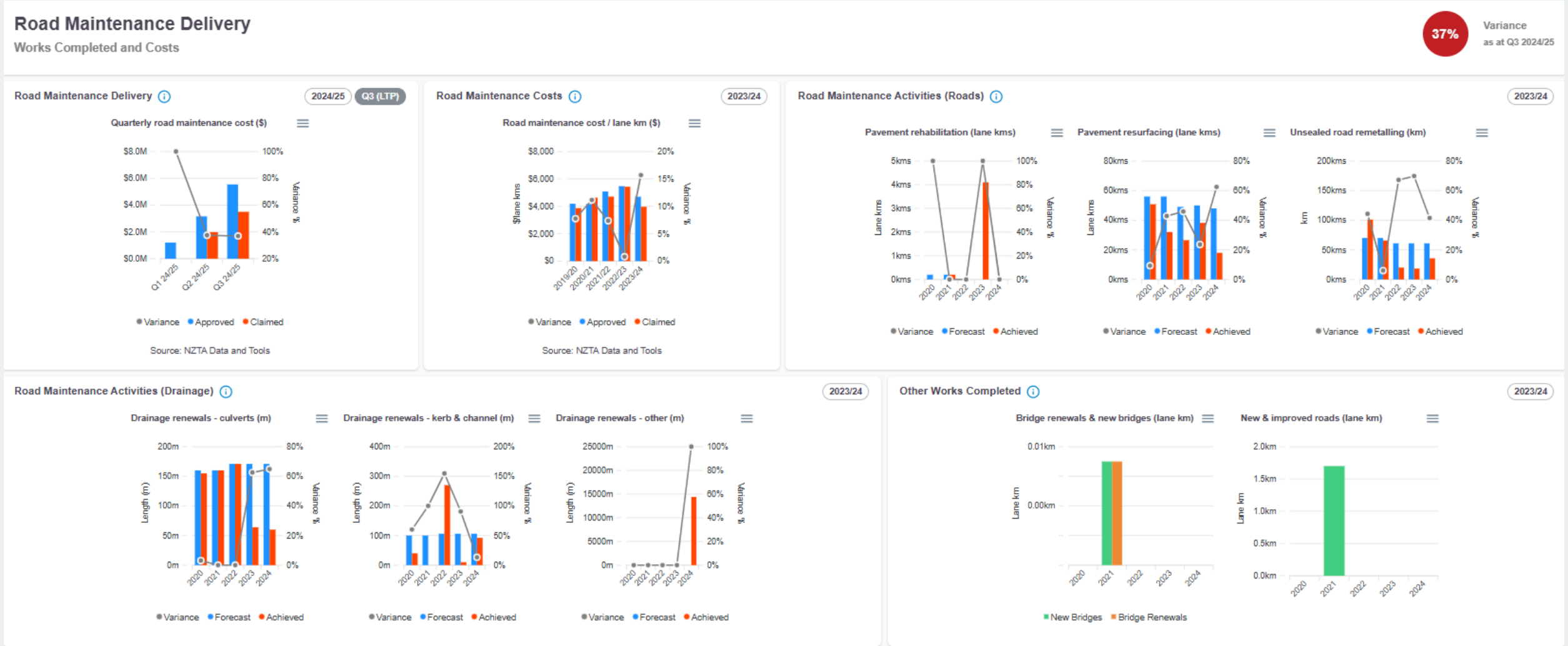
Pavement Condition



Surface Condition



Drill down example – Road Maintenance Delivery






Benchmarking

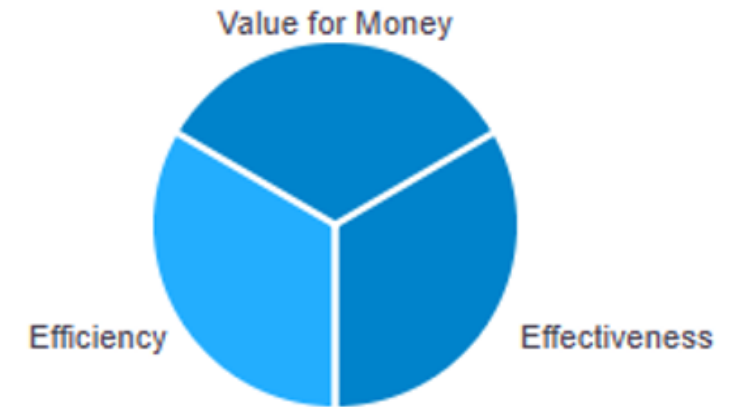
Value for money: how good is the network for the amount spent (quality/cost)

Efficiency: how much is done for the amount spent (quantity/cost)

Effectiveness: how good is the network for the work done (quality/quantity)

-  Higher within the peer group
-  Medium within the peer group
-  Lower within the peer group

Value for Money, Efficiency & Effectiveness



Benchmarked by peer group

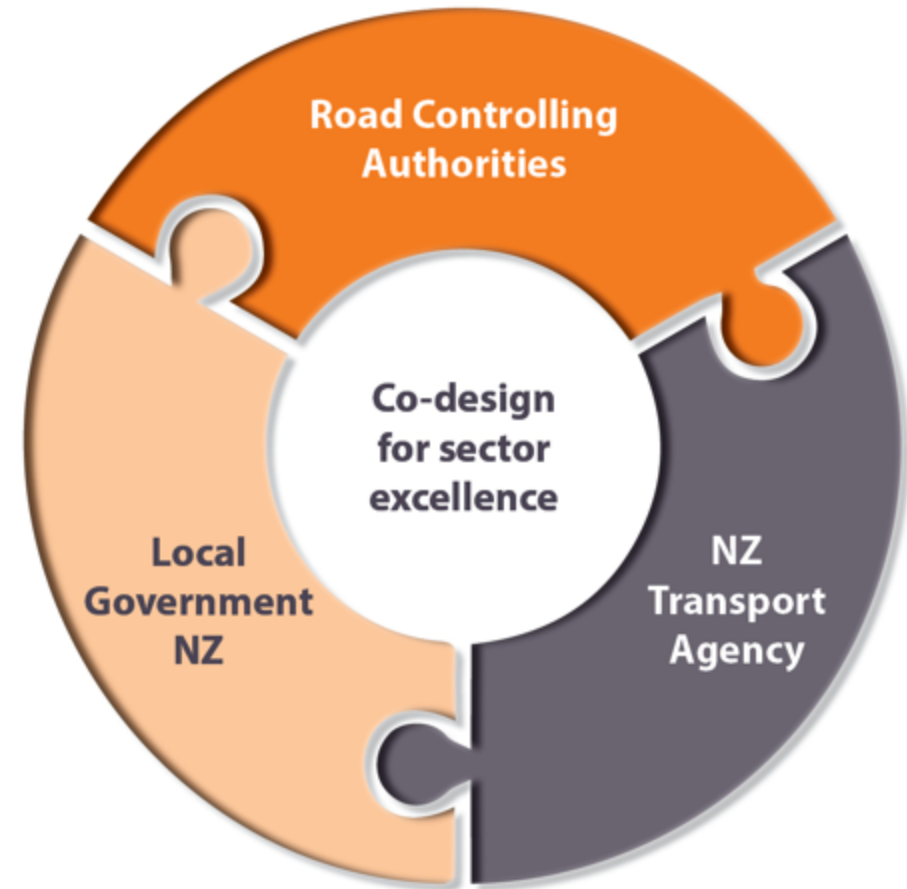
2023/24

What is the Roading Efficiency Group (REG) & What do they do?

The Road Efficiency Group Te Ringa Maimoa (REG) is a collaborative alliance between Local Government NZ, NZ Transport Agency Waka Kotahi and all road controlling authorities (RCAs) across New Zealand.

The REG programme is developed 'for the sector, by the sector', to improve transport asset management and help RCAs become better procurers and providers of regional roads and services.

REG supports RCAs by developing tools and facilitating collaborative working within the sector.



REG's groups and key projects

Governance and Leadership

Sector Excellence

- Learning and Development Programme
- Excellence Programme
- Competency Project

Evidence and Insights

- Transport Insights web portal
- RCA performance reporting
- Consistent Condition Data Collection
- Data quality project

Strategic Delivery

- Differential Levels of Service
- Commercial acumen guidelines
- Toolbox of resources

Regional Champions

- Promotion of the REG programme to peers within their own and other regions RCA's
- Help RCA's navigate the maze of ongoing change and challenges in the roading sector
- Provide a regional voice back to REG



Ministerial requirements/reporting

- Temporary Traffic Management Costs (Quarterly)
- No. of Potholes identified and repaired (per Quarter)
- Report how we're working to reduce Temporary Traffic Management expenditure (Quarterly)
- Investigate and plan if we can move to 9% reseals for next NLTP
- Investigate and plan if we can carry out 2% Pavement Rehabilitation for next NLTP

All Identified Potholes by ONRC Categories×

Category	No. Identified	LoS Timeframe	LoS Target %	Repaired in LoS Timeframe	Repaired in 24hrs	Not Repaired in the Quarter
Primary Collector	5	Undefined	–	–	2 40%	–
Secondary Collector	88	Undefined	–	–	5 6%	–
Access	950	Undefined	–	–	448 47%	–
Low Volume	4014	Undefined	–	–	1941 48%	–
Total	5057			0	2396 47%	0

What are we planning this year?

- 17.4km Reseals identified and confirmed, including some AC works for Tancred and Weld Streets
- Repainting of Arawhata Bridge
- Improving how we report our road maintenance and renewal works
- Helping our contractors transition to the New Zealand Guide to Temporary Traffic Management (NZGTTM)
- Reinspect our footpath network to update the footpath condition rating data
- Replace Kakapotahi Bridge on Beach Road
- Reviewing options for Urquhart Creek on South Bank Waitaha Road and Rocky Creek on Totara Valley Road



Connect with REG

www.nzta.govt.nz/reg

reg@nzta.govt.nz

<http://transportinsights.nz>



Report to Council



DATE: 28 August 2025

TO: Mayor and Councillors

FROM: Chief Executive

ADOPTION OF WATER SERVICES DELIVERY PLAN

1. Summary

- 1.1. The purpose of this report is to seek Council adoption of the Water Services Delivery Plan, ahead of certification and submission to the Secretary for Local Government, developed in accordance with the Local Government (Water Services Preliminary Arrangements) Act 2024.
- 1.2. This issue arises from Local Government (Water Services Preliminary Arrangements) Act 2024 requiring Councils to develop and submit Water Services Delivery Plans, either individually or with other councils, by 3 September 2025.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2024, which are set out in the Enhanced Annual Plan 2024/2025. Refer page 2 of the agenda.
- 1.4. This report concludes by recommending that Council adopts the Water Services Delivery Plan, attached as **Appendix 1** to this report.
- 1.5. As the three Councils have agreed to work together to form a Regional Water Services Council Controlled Organisation (Regional WSCCO), a Heads of Agreement has been drafted for adoption by all three Councils, attached as **Appendix 2**.

2. Background

- 2.1 Water Services Delivery Plans (WSDPs) are a key statutory requirement under the Local Government (Water Services Preliminary Arrangements) Act 2024. The WSDP is intended to be the mechanism for Council to demonstrate its commitment to delivering water services that meet regulatory requirements, and what actions it will take to be financially sustainable by 30 June 2028. Department of Internal Affairs provided a range of prescribed models.
- 2.2 The WSDP outlines the intended delivery models and investment requirements for Drinking Water, Wastewater, and Stormwater services as resolved by Council 24th July 2025. It describes the current state and future arrangements for delivering drinking water, wastewater, and stormwater services. The plan aligns with national expectations under the "Local Water Council 18 June 2025 Public Agenda 248 Done Well" policy, emphasising financial sustainability, regulatory compliance, and local decision-making.

- 2.3 The WSDP is a one-off requirement, giving effect to Council's delivery model decision for water services. Further planning will be undertaken through Water Services Strategies to be prepared three-yearly by the Joint West Coast Council Controlled Organisation.
- 2.4 The WSDP is to be submitted by 3 September 2025, using the best information available at the time of development. The WSDP will then be assessed and either accepted or rejected.

3. Current Situation

- 3.1. The WSDP and this paper builds on the substantial amount of information gathered over the last several months as part of Council's Local Water Done Well programme, including analysis of legislative requirements and delivery options under the Local Government (Water Services Preliminary Arrangements) Act 2024 as recorded in the Council meetings of 17th April, 26th June (Hearings and Deliberations), and 24th July.
- 3.2. The WSDP is attached as **Appendix 1** to this report. The WSDP is structured as follows:
- Part A: Statement of financial sustainability, delivery model, implementation plan and assurance
 - Part B: Network performance
 - Part C: Revenue and financing arrangements
 - Part D Financial sustainability assessment
 - Part E: Project financial statements for water services
 - Water services Delivery Plan – Additional information (Significant capital projects & risks and assumptions)
- 3.3. The purpose of this document is to meet the requirement for councils to include in their WSDP baseline information about their water services operations, assets, revenue, expenditure, pricing, and projected capital expenditure, as well as necessary financing arrangements, as a first step towards future economic regulation.
- 3.4. The WSDP uses the template published by the Department of Internal Affairs along with associated guidance and financial spreadsheets which provided an overview of each Council's financial sustainability. The joint WSDP has been prepared based on the previous resolutions by the three Councils, using previously approved documentation including each Council's Long-Term Plan, Infrastructure Strategy and their Asset Management Plans, as underlying information, and building on this to meet the legislative requirements.
- 3.5. Emphasis throughout has been placed on regulatory compliance, local decision making and strengthening long term financial health.
- 3.6. In preparing the WSDP project teams ran workshops, commissioned technical assessments, and engaged closely with neighbouring councils and iwi.
- 3.7. Stantec were contracted on behalf of all 3 Councils to support the pulling together of the WSDP and Marshall Moore Consultancy as well as Townsend Consulting were contracted to complete the combined financial modelling for the joint West Coast Council Controlled Organisation (WSCCO). It is the basis for parts C, D and E of the joint WSDP. While this combination is being presented for the first time in the joint WSDP, the trends show that the proposed delivery model will deliver the greatest scale of benefit for the community in terms of three waters services.
- 3.8. The joint WSDP outlines the proposed delivery model for the joint WSCCO and includes a transition period and phased implementation with a transition date of 1 July 2027 when the three councils will transfer ownership for the waters assets and responsibility for delivering water services to the joint WSCCO.

3.9. The WSDP has been reviewed by Simpson Grierson in terms of legislative compliance, to ensure the WSDP includes all sections required.

3.10. The Chief Executive has reviewed the attached WSDP and has signed off on the document for certification required by the Act.

4. Financial Summary

Changes to future water charges for the WSCCO

4.1 In May 2025, the consultation process used \$ values that had not been adjusted for inflation or GST. That approach is used when comparing economic analysis of 2 options such as the consultation process undertaken.

4.2 For the adoption of this plan, we have used the charges in the model that are adjusted for inflation and include GST. This approach is consistent with how Local Government consults e.g. the LTP and Annual Plan consultation process. This results in a higher \$ value for each of the 2 options consulted on but does not change the reasons behind the CCO option being selected which is still the lower cost option.

4.3 The connection charges forecast for each District have also been updated to include information that we now know in August 2025 that would impact on the future charges. The forecast charges for the 2033/2034 financial year is noted below and it is important to highlight that the charges calculated do not allow for any harmonisation (transfer) of costs.

4.4 The information update is different for each District and for each option.

4.5 Approximately 41% of the change (using an averaging approach) relates to a change in a key covenant (rule) relating to future borrowing from the Local Government Funding Agency (LGFA). Until March 2025, the LGFA was indicating that the Funds from operations (FFO) ratio should be maintained in a range of 8% to 12% and that water entities had 5 years to achieve that ratio. This ratio is used to assess the risk of an organisations ability to pay its borrowings back from net operating income. In March 2025, the LGFA advised that water entities the size of that proposed for our region should ensure that the FFO ratio was 10%.

4.6 The other main movements increase but also decrease the charges in different ways and relate to:

- Capital expenditure.
- Operating expenditure.
- Changes in connection charges because of the above increases or decreases.

Forecast water charges 30 June 2034

- all values are GST inclusive

- all charges have been adjusted annually by inflation

		Grey District		Buller		Westland	
May 2025 Consultation	Stand Alone Business Unit (STABU)	\$4,665		\$5,724		\$5,028	
	Water Services CCO		\$3,464		\$4,871		\$3,554
August 2025 Adoption	Stand Alone Business Unit (STABU)	\$4,665		\$5,564		\$4,999	
	Water Services CCO		\$4,101		\$4,456		\$4,285
Changes increase/(decrease)		\$0	\$636	(\$160)	(\$414)	(\$30)	\$731

4.7 The key financial information is shown in Table 1 below. The charges that will apply for each of the districts within the first 7 years of the entity's existence. It also highlights the water services charge as a % of the average household income per region.

4.8 The charges are averages over each of the districts, but there is no harmonisation between districts, and this has not been modelled as previously agreed. The benefit of the WSCCO will see various staff and contractor resources used across the region as opposed to the current arrangement, where we work on contracts individually per area. The use of shared resources and potential shared services is something that will have to be continually investigated as we move forward.

Table 1. Average Charge per Connection including GST

Average charge per connection including GST	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Buller District							
Average charge per connection including GST	\$3,416	\$3,575	\$3,771	\$4,016	\$4,264	\$4,325	\$4,456
Projected median household income	\$111,791	\$114,586	\$117,450	\$120,387	\$123,396	\$126,481	\$129,643
Water services charges as % of household income	3.1%	3.1%	3.2%	3.3%	3.5%	3.4%	3.4%
Grey District							
Average charge per connection including GST	\$2,405	\$2,758	\$3,116	\$3,474	\$3,889	\$4,005	\$4,101
Projected median household income	\$133,233	\$136,564	\$139,978	\$143,477	\$147,064	\$150,741	\$154,509
Water services charges as % of household income	1.8%	2.0%	2.2%	2.4%	2.6%	2.7%	2.7%
Westland District							
Average charge per connection including GST	\$2,863	\$3,118	\$3,402	\$3,725	\$4,116	\$4,201	\$4,285
Projected median household income	\$111,825	\$114,621	\$117,487	\$120,424	\$123,434	\$126,520	\$129,683
Water services charges as % of household income	2.6%	2.7%	2.9%	3.1%	3.3%	3.3%	3.3%

4.9 The WSCCO model has the most financially prudent (lowest) charges for the ratepayers and residents of Buller, Grey and Westland District when compared to a Stand-Alone Business Unit option, and the level of targeted rates that each council was levying for 3 waters within their 2025-2034 Long Term Plans.

4.10 Some years, the LTP option will be favourable but in general the WSCCO is the most financially prudent option for all the Councils. This is shown in Figures 1 – 3 below.

Figure 1. Comparison for Westland District Council

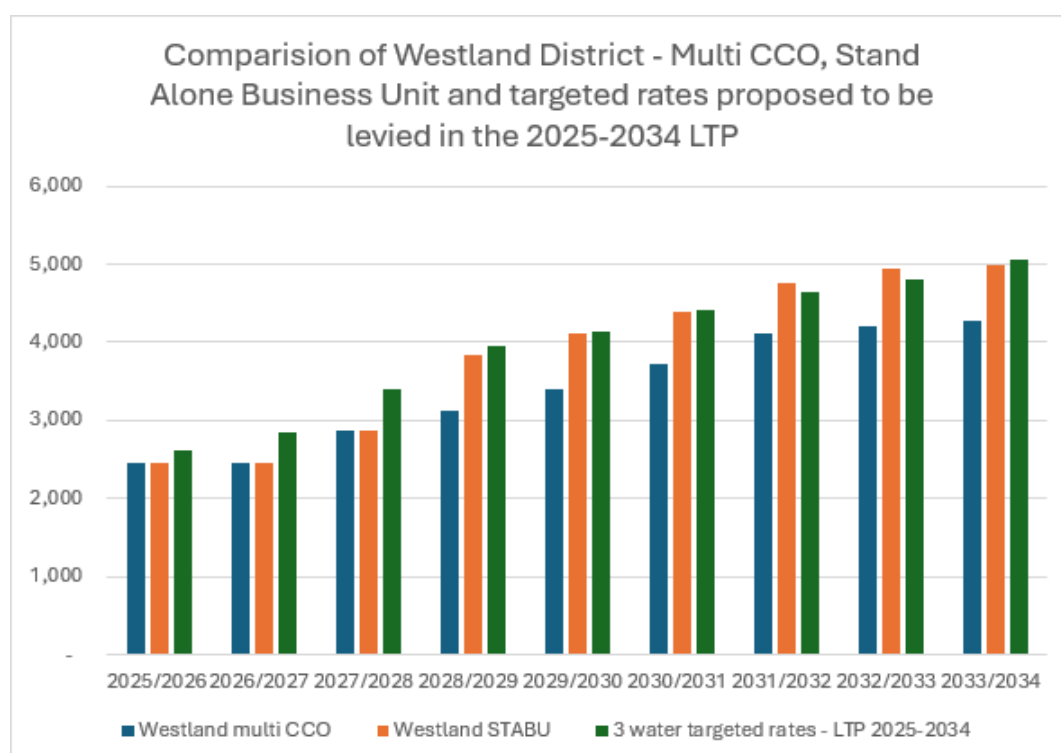


Figure 2. Comparison for Buller District Council

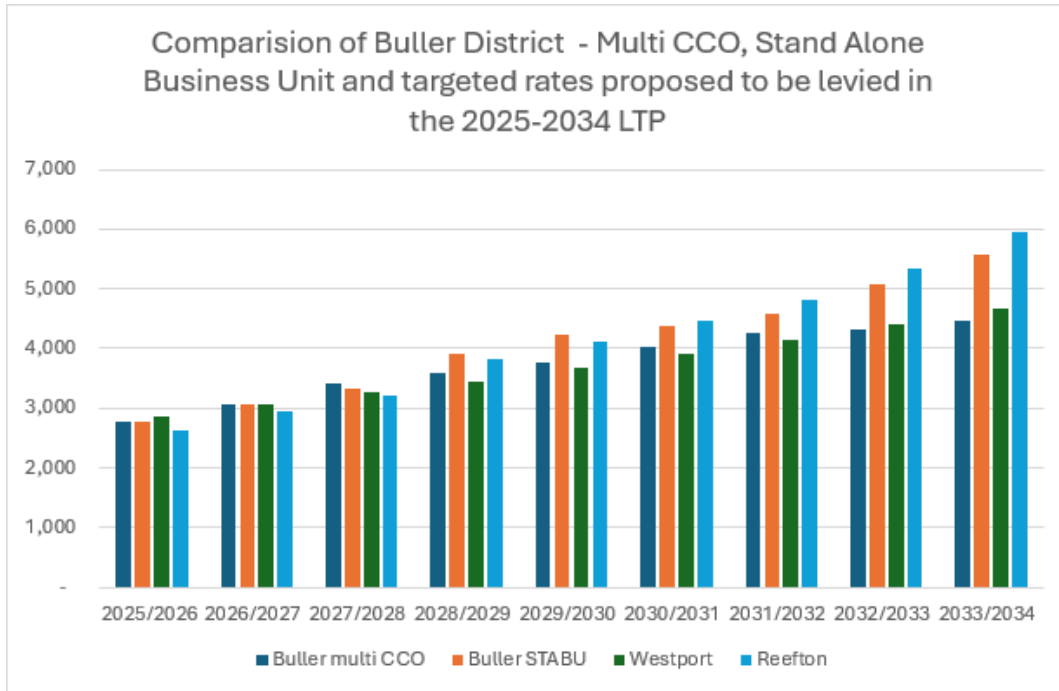
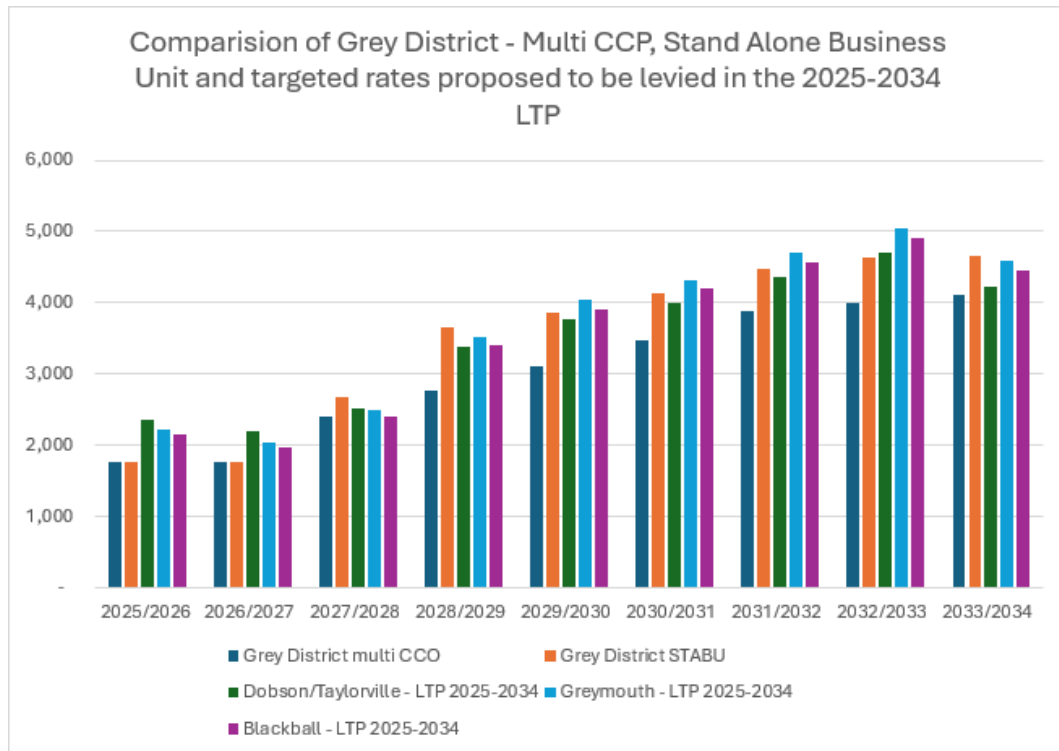


Figure 3. Comparison for Grey District Council



- 4.11 Over the next 9 years until 30 June 2034, there is a significant requirement for investment into improvements into the West Coast 3 Water Services. The investment is a combination of quality improvement, renewal and replacement and increases in capacity where required. The investment is detailed in part B of each of the WSDP for each Council. A summary is as follows:
- Buller District Council - \$120.6 million

- Grey District Council - \$118.5 million
- Westland District Council - \$65.9 million

4.12 The principal source of funding the WSCCO comes from water charges and the raising of debt. The forecast debt outstanding as at 30 June 2034 for the CCO is \$220.9 million with debt forecast to peak as at 30 June 2040 at \$229.6 million. Debt will then start to slowly reduce from the period.

4.13 Water charges, as shown above, will increase to fund operating expenditure, a value of capital expenditure and the interest costs of the borrowings. As the capital programme starts to reduce, more of the money created from the charges, reduce the overall borrowings.

4.14 The majority, if not all of the borrowings will be obtained through the Local Government Funding Agency (LGFA). This increased borrowing option would not be possible if the Councils chose the of a Stand Alone Business Unit, so therefore the investment requirements, as per the Local Government (Preliminary Arrangements) Act 2024, would not be achieved.

5 Options

5.1 Option 1: Adopt the Water Services Delivery Plan.

5.2 Option 2: Do not adopt the Water Services Delivery Plan.

6 Risk Analysis

6.1 If Council chose not to proceed with Option 1, the following risks may apply:

- Non-compliance with the statutory requirements, including demonstration of financial sustainability (investment sufficiency, revenue sufficiency, and financing sufficiency), with the current WSDP meeting requirements in accordance with the Local Government (Water Services Preliminary Arrangements) Act 2024.
- Reputational risk should Council seek to change or defer the delivery model outlined in the WSDP, consistent with the resolution of Council 24th July 2025.
- Potential for the joint West Coast Council Controlled Organisation delivery model not to be established from 1 July 2027, with a later WSDP development (if deferred or altered significantly).
- Potential for DIA to use ministerial powers and appoint a water services specialist to complete the plan on behalf of Council if we do not deliver a WSDP by 3 September.

7 Health and Safety

7.1 Health and Safety has been considered and no items have been identified.

8 Significance and Engagement

8.1 The level of significance has been assessed as being of low significance, in accordance with the Councils Significance and Engagement Policy. However, this report is part of a broader process that is assessed as of High Significance.

8.2 A consultation and engagement process was followed, with public consultation occurring from Friday 16th May and closed 16th June 2025 at 5pm (32 days).

8.3 Having consulted on the proposed delivery model, Council is not required to consult on the WSDP.

9 Assessment of Options (including Financial Considerations)

9.1 Option 1 – Adopt the Water Service Delivery Plan.

The advantages of proceeding with this option are:

- Confirms compliance with the Local Government (Water Services Preliminary Arrangements) Act 2024, avoiding potential non-compliance penalties.
- Confirms Councils chosen delivery model.
- Agrees with the previous decision of Council resolving that it *“approves to progress with the establishment of a joint water organisation owned by Westland, Grey and Buller District Councils”*.
- Establishes a clear roadmap to achieve financial sustainability by 30 June 2028, including revenue, expenditure, and financing arrangements.
- Integrates with our Long Term Plan, Infrastructure Strategy and Activity Management Plans.
- Includes financial modelling based on 20 year investment requirements, remaining within borrowing limits.
- Encourages collaboration across 3 Councils to enhance services for all West Coast residents by creating economies of scale and sharing expertise.
- Shifts Water Services to a WSCCO, from 1 July 2027, noting that rates harmonisation will not occur for at least 5 years as this is yet to be agreed.

9.2 Option 2 – Do not Adopt the Water Services Delivery Plan.

The advantages of proceeding with this option are:

- Water services would remain inhouse.
- Mitigates the risk of overcommitting to financing arrangements that could become less favourable in a changing economic climate.
- Minimises the risk of inaccurate modelling

10 Preferred Option(s) and Reasons

10.1 The preferred option is Option 1.

10.2 The reason that Option 1 has been identified as the preferred option is that it meets the requirements of the legislation, it is also in line with the option previously chosen by Council and the one that is modelled to be the most effective for the community.

11 Recommendation(s)

11.1 That the report be received.

11.2 That Council adopts the Water Services Delivery Plan, attached as **Appendix 1** to this report.

11.3 Heads of Agreement at **Appendix 2**.

11.4 Authorises the Chief Executive to certify the Water Services Delivery Plan and submit to the Secretary for Local Government.

Barbara Phillips

Chief Executive

Appendix 1: Water Services Delivery Plan

Appendix 2: Heads of Agreement

Report to Council



DATE: 28 August 2025

TO: Mayor and Councillors

FROM: Chief Executive

Westroads Ltd (WRL) Statement of Intent 2026

1. Summary

- 1.1. The purpose of this report is to present the Westroads Ltd Statement of Intent (Sol) for the period 1 July 2025 to 30 June 2026.
- 1.2. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2024, which are set out in the Enhanced Annual Plan 2024/2025. Refer page 2 of the agenda.
- 1.3. This report concludes by recommending that Council adopt the Westroads Ltd Statement of Intent for the period 1 July 2025 to 30 June 2026.

2. Background

- 2.1. The reason the report has come before the Council is due to WRL being 100% owned by Westland District Council (WDC) as at 30 June 2024.
- 2.2. With the amalgamation of Westland Holdings Ltd into Destination Westland Ltd as at 30 June 2024, the direct ownership and relationship of WRL is now with WDC, therefore the Sol is now required to be adopted by WDC directly.

3. Current Situation

- 3.1. The current situation is that the directors of WRL are presenting the Sol to Council for adoption.
- 3.2. Under the Local Government Act 2002 (LGA) Schedule 8 the Sol must reflect information in respect of the financial year it relates to and the following two financial years.

4. Options

- 4.1. Option 1: That Council adopt the Westroads Ltd Statement of Intent 2026.
- 4.2. Option 2: That Council request changes to the Statement of Intent 2026.

5. Risk Analysis

- 5.1. Risk has been considered and the following risks have been identified;

5.1.1. Compliance risk if the Sol is not adopted by the statutory deadline.

6. Health and Safety

6.1. Health and Safety has been considered and no items have been identified.

7. Significance and Engagement

7.1. The level of significance has been assessed as being low as the report is for administrative purposes only.

7.1.1. No public consultation is necessary.

8. Assessment of Options (including Financial Considerations)

8.1. Option 1 – That Council adopt the Westroads Ltd Sol.

Under the LGA the shareholder must adopt a statement of intent by 30 June each year. The statement of intent includes specific mandatory information which allows the shareholder to understand the performance of the CCO and should align with Council's strategy.

8.1.1. There are no financial implications to this option.

8.2. Option 2 – That Council request changes to the Statement of Intent.

As this is a transitional year, a more robust process can be carried out in regards to what the shareholders (WDC) want to see in the Sol, and expectations made clear through letters of expectation and any reporting requirements. This area can be explored through the CCO oversight committee, who can work directly with the CCO's to enhance the Sol's.

If Council request changes to the Sol's this could mean the statutory deadlines are not met.

There is an opportunity under the LGA Schedule 8 to carry out an amendment to the Sol's after the adoption which would allow for deadlines to be met. This would be by resolution of Council.

9. Preferred Options and Reasons

9.1. The preferred option is Option 1

9.2. The reason that Option 1 has been identified as the preferred option is that the Sol has been provided in draft form to Council earlier in the year, which allowed for Council to provide comments and changes to the plan already.

Therefore, adoption of the final Sol should just be an administrative task at this time.

With the potential establishment of a CCO Oversight Committee there are opportunities for enhanced Sol's and performance monitoring of the CCO's going forward.

10. Recommendations

10.1. That the report be received.

10.2. That Council adopt the Westroads Ltd Statement of Intent 2026.

10.3. That Council direct staff to make the Statement of Intent available on the Westland District Council website within 1 month of this date for a period of no less than 7 years.

Barbara Phillips
Chief Executive



Westroads

**Statement of Intent
2025/2026**

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Introduction

This Statement of Intent is prepared in accordance with section 64 and schedule 8 of the Local Government Act 2002.

Westroads Limited (the Company) is a council-controlled organisation for the purposes of the Local Government Act 2002 and is registered under the Companies Act 1993.

The company is owned 100% by Westland District Council (the Council).



2: Vision and Values

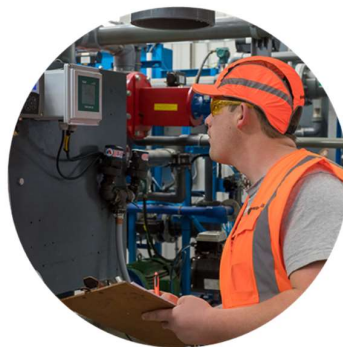
Vision:

A trusted central South Island contractor recognised for quality work and strong relationships.

Values:

The following Values guide our activities and actions, in our pursuit of excellence.

We pursue improvement in all that we do



- Learning from our mistakes
- Looking for better ways
- Being innovative
- Embracing change

We are committed to the team



Safety comes first

- Keep ourselves, our team and the public safe
- We all lead by example
- Have courage to correct unsafe behaviour
- Follow established procedures
- Ask if unsure

Respect goes a long way

- Respect ourselves, our teammates, clients and the public
- Respect the Company's assets and image
- Trust our people to do the right thing
- Listen openly
- Respect and protect the environment

Value our people

- Together we achieve more
- "Please" and "Thank You" go a long way
- Care enough to provide constructive feedback
- Develop our people through training, mentoring and support
- Provide opportunities for career advancement
- Reward competitively

We are Performance Driven



Plan and Communicate

- Understand the requirements in detail
- Plan using team knowledge
- Communicate effectively

Always do our best

- Come to work to work
- Deliver the plan efficiently
- Do it right first time
- Meet performance targets

We Take Pride

- Lead by example
- Take pride in ourselves, our work and our Company
- Enjoy work and celebrate success

3: Our Principal Objectives and Strategic Priorities

The Principal objectives of the Company are to:

- A. Operate as a successful business
- B. Maximise shareholder value
- C. Provide positive community outcomes

Strategic Priorities

- A. Invest in People and Culture
 - Be employer of choice
 - Invest in leadership and skills training for all our people
 - Provide opportunities for young West Coasters
- B. Achieve Outstanding Results
 - Grow shareholder value (Year on Year)
 - Dividend growth
 - Equity growth
- C. Diversify
 - Grow customer base, work streams and geographical areas
- D. Care for the Community and the Environment
 - District wide emergency response capability
 - Five-year sustainability plan
 - Give back to our Westland communities
- E. Build Quality Relationships
 - Highly engaged relationships with our shareholder, clients and Iwi
 - Promote the business and develop new customer relationships

4: Nature and Scope of Activities

The nature of Westroads Limited activities will be that of a general contractor and a trading organisation offering goods and services for sale and plant and equipment for hire. Its activities will include:

- A. Three Water Services – maintenance and construction.
- B. Roothing - maintenance and construction, including bridge maintenance and construction.
- C. Greenspace maintenance and construction, including maintenance of council parks and reserves.
- D. Waste Management services including landfill and transfer station operation.
- E. General civil contracting activities include carpark, driveway and building pad construction.
- F. Vehicle and equipment maintenance services including automotive maintenance and engineering services.
- G. The manufacture and supply of aggregates/sand and base course products.
- H. The supply of goods, materials, services and equipment for sale or hire.
- I. Any other relevant activity as determined by the Directors from time to time.

5: Governance

The Company is governed by a board. The directors of the company are:

- Mark Rogers (Chair)
- Rob Caldwell (Deputy Chair and Chair Risk and Assurance)
- Ross Pickworth

The director's role includes:

- A. Strategic governance
- B. Financial oversight
- C. Management performance review
- D. Overseeing tender prices for major tenders
- E. Ensuring statutory and regulatory compliance



One director retires each year in rotation. Directors can make themselves available for re-appointment.

Board evaluation is conducted at least biannually and is facilitated by the Chair. Directors consider training requirements annually to ensure that professional standards are adhered to.

We are a commercially focused organisation, driven to deliver against our purpose. The company will update its Strategy document every year and provide a copy of this to Council. We are committed to transparency and operate under a no-surprises policy with our shareholder.

6. Performance Targets

6.1 Financial Performance Targets

- The ratio of net profit before taxation and revaluations (before extraordinary items) to average shareholder funds shall be at least 10% for the three years commencing 1 July 2025.
- An annual dividend to the shareholder within a range of 40-70% of the Company's net profit after tax, after adjusting for returns to shareholders via a subvention payment.
- Compliance with statutory and regulatory requirements that will allow the Company and the Council to comply with the Local Government Act 2002.
- The ratio of consolidated shareholder funds to total assets shall be greater than 45%. Shareholders' funds are defined as the paid-up capital, plus any tax paid profits earned less any dividends distributed to shareholders. They include undistributed profits which have been accumulated in accounts known as either "Revenue Reserves" or "Capital Reserves".
- All our financial performance targets are based on exceeding WACC.

6.2 Social Performance Targets

Westroads Limited is committed to:

- Attracting and retaining the best people for our organisation.
- Maintaining a high level of transparent and effective communication with our shareholder.
- Being an asset to the community through returns to the Council.
- Supporting local community initiatives.
- Providing effective first response and support for infrastructure during adverse events, especially in remote areas.
- Providing employment in the district and ensuring the community receives competitive prices for work done.

To achieve this for the Company's people and communities:

- We utilise a wide range of training schemes via the industry training organisations to continuously extend the skills of our staff and ensure that they are up to date with professional and technical current practice. Performance reviews are undertaken for all management and staff on an annual basis.
- We are committed to work together to ensure safe and sustainable working conditions for our employees. The Company provides inoculations for employees and monitors hearing, eyesight, and lung functions to ensure we have a healthy workforce.

The Company has the following performance measures regarding employees and safety:

- Number of incidents notifiable to WorkSafe – Target Zero
- Continue to promote Safety First
- Achieving a TRIFR below 1.5 per 100,000 manhours
- Training expenditure as a percentage of Revenue Target – Target 0.8%
- Staff turnover rates excluding fixed term and temporary workers < 18%

7. Health and Safety

Officers are aware of their obligations under the Health and Safety at Work Act 2015, with particular reference to section 44 (4). We understand the hazards and risks within the business, with a specific focus on critical risks. The Board has a Risk and Assurance Committee in place.

8. Sustainability

We are committed to fostering a sustainable future by integrating environmentally responsible practices into our operations that align with our long-term ambitions.

9. Relationships

Westroads has relationship plans to ensure that we are engaged with our community. We focus on enhancing our relationships with Westland District Council and clubs and organisations that our staff are actively involved with, within our Westland communities.

Westroads respects the importance Mana Whenua and their Takiwā. We are committed to developing genuine, long-term relationships with iwi, hapū, and other Māori organisations.

10. Distribution Policy

Distributions will be paid by way of dividends and subvention payments to the Council in accordance with the annual Statement of Intent.

The level of profit retention/distribution will be agreed annually with the Council, subject to the following criteria:

- The Company will utilise Group losses to the maximum extent available and pay for the use of the losses at the current tax rate by way of Subvention Payments.
- The amount of any distribution will consider the Company's ability to fund future capital expenditure requirements, to maintain and expand its operations, to meet its obligations under the Companies Act 1993 and to address matters related to the debt structure of the Company.

11. Capital Expenditure

The board's policy is to replace plant and equipment on a "wear and tear" basis, with all items requiring board approval.

Approval of the Council must be obtained for any significant purchases or developments more than \$500,000 for any one project, including the funding mechanism for the purchase or development. For general plant replacement items, amounts in excess of \$750,000 need to be referred to the Council as above.

12. Procedures for Acquisition of Other Interests

The Company will not subscribe for, purchase, or otherwise acquire shares in any company or other organisation without first being authorised to do so by a special resolution from the Council.

13. Commercial Value of Shareholders' Investment

The director's estimate that the opening balance of shareholders' funds fairly reflects the commercial value of the investment. The directors will advise the Council on an annual basis if they believe the value to differ materially from this amount.

The value of the investment will be reassessed every three years by evaluating the movement in asset values, in particular changes in land and improvements as recorded on the tri-annual government valuations.

14. Risk Mitigation

The Company regularly reviews its key risks together with strategies for mitigation of these risks. Westroads has a Risk and Assurance Committee which conducts scheduled formal reviews, reinforced by a Board meeting structure that supports continual risk oversight and improvement. The Company has a formal Fraud Policy in place and all Directors and staff are aware of this policy. External Audits provide further surety of risk management and mitigation.

15. Reporting to Shareholders

The following information will be made available to the Council:

15.1 Draft Statement of Intent

On or before the 1st of March each year, the directors shall deliver to the Council a draft Statement of Intent with tracked changes which fulfils the requirements of clause 9 of schedule 8 of the Local Government Act 2002.

15.2 Completed Statement of Intent

On or before the 30th of June each year, the directors shall deliver to the shareholders a final Statement of Intent.

15.3 Half Yearly Report

On or before the end of February each year, the directors shall deliver to the shareholders an unaudited report containing the following information as a minimum in respect of the half year under review:

- A. A revenue statement disclosing actual and budgeted revenue and expenditure, and comparative figures in second and subsequent half yearly reports;
- B. A statement of financial position at the end of the half year;
- C. A commentary on the results for the first six months of the year together with a report on the outlook for the second six months with reference to any significant factors that are likely to influence the company's performance, including an estimate of the financial result for the year based on that outlook;
- D. A report on non-financial performance measures; and
- E. A copy of the auditor's management report for the previous year.

15.4 Annual Report

By the 30th of September each year, or such later date set by government and approved by the shareholder, the directors shall deliver to the shareholders an annual report and audited financial statements in respect of the financial year ending on the preceding 30 June, containing the following information as a minimum:

- A. A directors' report including a summary of the financial results, a review of operations, a comparison of performance in relation to objectives and any recommendation as to a dividend;
- B. A revenue statement disclosing actual and budgeted revenue and expenditure, and comparative figures in second and subsequent annual reports;
- C. A statement of financial position at the end of the year.

15.5 Annual Budget

An annual budget shall be provided for the coming financial year and the following two years, at such a time to enable it to be included within the draft Annual Plan for the Council.

15.5 Quarterly Report

A report containing financial and operational information as agreed between the Company and the Council shall be supplied each quarter. These quarterly reports shall include commentary on the quarterly operations performance and outlook of the Company and any special events likely to affect the Company's performance.

16. Accounting Policies

Reporting Entity

Westroad's accounting policies will comply with legal requirements of the Companies Act 1993, the Financial Reporting Act 1993, the Local Government Act 2002 and with New Zealand Generally Accepted Accounting Practice (NZ GAAP). The financial statements comply with New Zealand equivalents to International Financial Reporting Standards. For the purposes of complying with NZ GAAP, the company is a for-profit entity.



17. Financial Forecasts

	SOI Budget	Budget	Forecast	Forecast
	2024/25	2025/26	2026/27	2027/28
	000's	000's	000's	000's
Gross Revenue	31,203	35,128	37,939	41,733
Cost of Sales	24,621	27,998	30,147	33,155
Gross Profit	6,582	7,131	7,782	8,577
Other Income	180	400	432	475
Administrative Expenses	3,124	3,517	3,799	4,178
Depreciation	2,094	2,164	2,337	2,571
Finance Costs	215	256	276	304
Net Profit Before Tax	1,328	1,593	1,802	1,999
Tax Expense	316	390	448	504
Subvention Payments	200	200	200	200
Total Comprehensive Income for the Year	812	1,003	1,153	1,295
Other Performance Targets				
Dividends	330	402	477	547
Earnings Retained	483	602	677	747
Closing Shareholder's Funds	12,511	12,552	13,228	13,976
Pre-Tax & Subvention Return on Average Shareholder's Funds	11.04%	13.33%	14.35%	15.11%

Subvention payments to be paid instead of dividends where possible.



267 Kaniere Rd,
Hokitika,
Westland 7811

03 756 8044

www.westroads.co.nz



Report to Council



DATE: 28 August 2025

TO: Mayor and Councilors

FROM: Chief Executive

Destination Westland Statement of Intent 2025-2028

1. Summary

- 1.1. The purpose of this report is to present the Final 2025-2028 Statement of Intent (SOI) for approval by Council.
- 1.2. This issue arises from the statutory requirement for Destination Westland Limited (DWL) to present the final SOI for adoption prior to the end of June.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002.
- 1.4. This report concludes by recommending that Council approve the 2025-2028 SOI.

2. Background

- 2.1. The reason the report has come before the Council is due to the statutory requirement for Destination Westland Limited to present the final SOI to Council for approval, this would of by normal course been completed by Westland Holdings Limited, but due to the amalgamation of Westland Holdings into Destination Westland effective 30 June it was more appropriate to seek approval at council level.

3. Current Situation

- 3.1. The current 2023-2026 SOI was approved by Westland Holdings in June 2023.
- 3.2. Since that date the following have been altered:
 - a) Removal of any reference to Westland Holdings Limited, due to the imminent amalgamation
 - b) Financial covenants relating to LGFA funding have been added

4. Options

- 4.1. Option 1: That Council approve the final 2025-2028 SOI; or
- 4.2. Option 2: That Council does not approve the final SOI as presented.

5. Risk Analysis

5.1. Risk has been considered and no risks have been identified.

6. Health and Safety

6.1. Health and Safety has been considered, and no items have been identified.

7. Significance and Engagement

7.1. The level of significance has been assessed as medium;

7.1.1 No public consultation is considered necessary.

8. Assessment of Options (including Financial Considerations)

8.1. **Option 1** – That Council approve the final SOI as presented.

There are limited financial implications to this option.

8.2. **Option 2** – That Council does not approve the final SOI as presented.

Financial implications may include additional legal and accounting expenses.

9. Preferred Option and Reasons

9.1. The preferred option is Option 1.

9.2. The reason that Option 1 has been identified as the preferred option is that Council approval of the SOI is required pursuant to the Local Government Act. Council was given the opportunity to provide feedback to the draft SOI from February 2024.

10. Recommendation(s)

10.1. That the report be received.

10.2. That Council approve the Destination Westland Limited 2025-2028 Statement of Intent as presented.

Barbara Phillips

Chief Executive

Appendix 1: Destination Westland Limited 2025-2028 Statement of Intent



Statement of Intent

For three years commencing
1 July 2025





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COMMERCIAL VALUE OF SHAREHOLDERS

INVESTMENT

RISK MANAGEMENT

REPORTING TO SHAREHOLDERS

ACCOUNTING POLICIES

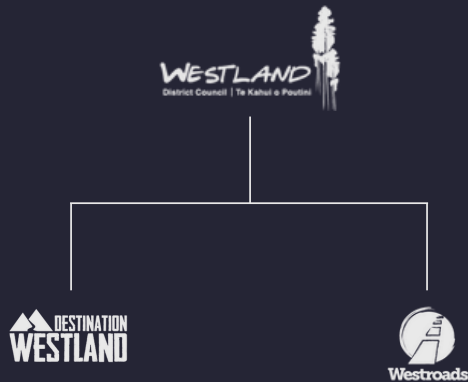
DISTRIBUTION POLICY

SALES OF GOODS/SERVICES TO LOCAL AUTHORITY

INTRODUCTION

Destination Westland Limited is a Westland District Council-Controlled Organisation for the purposes to the Local Government Act 2002 and is registered under the Companies Act 1993.

This Statement of Intent (SOI) is prepared in accordance with Section 64 and Schedule 8 of the Local Government Act 2002 and outlines the overall objectives and forecasts for Destination Westland for three years commencing from 1 July 2025



COMPANY MISSION STATEMENT

Striking a balance between investing in capital to maintain and improve our assets and producing long-term profitable operational results





OUR VALUES

- S** **AFETY:**
Health and Safety is everyone's business, and everyone is expected to share in our commitment to avoid all accidents and incidents.
- T** **RUST:**
Acting with credibility, professionalism and integrity every day.
- A** **CCOUNTABILITY:**
Being responsible for our actions and behaving openly and straightforwardly
- R** **ESPECT:**
Recognising each other's differences. Being considerate to each other and our environment.
- T** **EAMWORK:**
Our unifying Value: We are One Team working together in a positive spirit towards the same goal.

OUR GOALS AND OBJECTIVES

HEALTH, SAFETY & RISK MANAGEMENT

We will foster a proactive health, safety, and risk management culture that prioritises continuous improvement and learning.

We will:

- Embed a Civil Aviation Authority (CAA) compliant Safety Management System across both of our aerodromes, ensuring that these safety practices are integrated into all our operational activities.
- Promote health, safety, and wellness through regular discussions with our whole team and ensure it is central to all that we do.
- Identify critical risks and develop plans to mitigate them.

COMMERCIAL

- Develop new opportunities across the core strategic focus areas - Manage and Leverage Assets to Attract Investment.
- Provide quality, efficient and cost-effective management services on a commercially competitive basis.
- Conduct business in a professional manner in accordance with the mandate and Company statement of Intent.
- Consistent with achieving the objectives stated, deliver both financial & nonfinancial returns to the Shareholder.

GROWTH FOCUS

- Grow and diversify revenue streams from existing activities.
- Seek out opportunities for new revenue streams.
- Be enabling for partnership in new activities.
- Enhance the value of the Shareholders' investment.

Destination Westland Ltd exists to manage and develop key community, infrastructure, and commercial assets on behalf of the Westland District Council (WDC), contributing to the social and economic wellbeing of the district. Our strategic intent is to operate as a commercially-focused Council-Controlled Organisation that delivers value through efficient asset management, responsible growth, and support for regional connectivity.

We align with the priorities of WDC's Long-Term Plan, particularly around infrastructure resilience, sustainable development, and effective stewardship of public resources.

Key Strategic Focus Areas (5–10 Years)

Airport and Heliport Development

Destination Westland owns the aeronautical infrastructure at Hokitika Airport and Glacier Country Heliport. Over the next decade, we will prioritise maintenance and upgrades to ensure regulatory compliance (CAA Part 139) and support long-term regional air connectivity and resilience.

Commercial Growth and Land Development

We will seek to maximise value from leased and underutilised land through commercial development initiatives, ensuring compatibility with aviation use and local planning. Growth opportunities will be pursued where they align with our mandate and offer clear community or commercial return.

Property Portfolio Management

The residential and commercial property portfolios will be managed to improve performance, enable potential divestments, and ensure maintenance standards are met, subject to shareholder direction and financial sustainability.

Operational and Digital Efficiency

We will continue investing in systems and practices that enhance performance visibility, compliance, automation, and decision-making across the company.

Environmental Sustainability

Sustainability considerations will be embedded in asset management and development decisions, including the exploration of renewable energy (e.g. solar feasibility) and low-impact infrastructure design.

STRATEGIC DIRECTION

GOVERNANCE

The Directors of Destination Westland are appointed to govern and direct the company's activities, and have the following roles:

- 1.Strategic vision and governance.
- 2.Develop strategy implementation plans with management, to ensure consistency with vision and governance objectives.
- 3.Financial planning and management to achieve strategic and governance objectives.
- 4.Company performance monitoring and review.
- 5.Manage relationships with Shareholders, iwi, stakeholders and external parties at a governance level.
- 6.Ensure “no surprises” communication with Council on all matters of significance or substance, maintaining transparency and trust
- 7.Manage Company Risk and Compliance requirements
- 8.Ensure the Governance Culture aligns with the delivery of the stated Vision, Values and Objectives of the Company.

The board will continue to work closely with Council to ensure alignment on expectations and accountability, and actively foster a culture that supports long term performance and value.

Directors are appointed by the shareholder, Westland District Council. The Directors are appointed on rotation policy. The current Board of Directors and rotation dates are:

Director	First Appointed	Current Term End Date	Eligible for Reappointment
Chris Gourley (Chair)	June 2020	AGM 2027	Yes
Marie-Louise Tacon	November2021	AGM 2025	Yes
Peter De Goldi	December 2022	AGM 2026	Yes

Board evaluation will be conducted annually and facilitated by the Chair. Directors will consider training requirements annually to ensure that professional standards are adhered to.

ACTIVITIES OF THE COMPANY



Managing core infrastructure

Developing and executing a long-term strategy to oversee and enhance the critical infrastructure of Westland, including the **Airport, Heliport, and Property**.

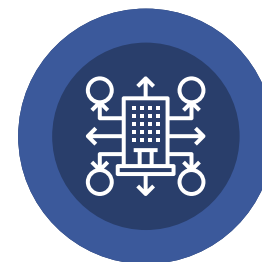


Leveraging our assets

Generate operating profits that align with our primary focus areas:

Airport - Heliport Property

Achieve this by boosting aviation movements, enhancing land utilisation, and fostering business expansion linked to our assets.



Attracting investment


Collaborate with local and central government entities to establish robust investment streams that promote appropriate levels of capital and infrastructure expenditure.

Engage with private investors aligned with our core focus areas:



Airport - Heliport - Property

PERFORMANCE MEASURES & TARGETS



Financial Results

Measure		Target
	Manage financial performance to show year on year growth while maintaining a strong balance sheet	Interest Cover >2 Pre-Tax ROE 1-6% Net Debt/EBITDA <5x FIFO/Net Debt 12-20%


Communication

Measure		Target
	Maintain high level of communication with Shareholder	Meet communication requirements with CCO committee
	Annual Independent Tenant Satisfaction Survey to be undertaken	Complete the tenant Survey by 30 June 2025

Health, Safety and Risk

Measure		Target
	Meet our obligations and standards under Civil Aviation Act Rules	"Major " findings - Zero Independent Review of SMS completed
	Meet our obligations under the Health & Safety at Work Act and drive safety improvements.	Notifiable incidents to Worksafe - Zero TRIFR < 2
	Monitor performance and activities to ensure risks/hazards are managed	Quarterly review of Health & Safety systems and performance.

Environmental

Measure		Target
	Pursue sustainability initiatives that reduce our carbon footprint.	Annual reduction of Green House Gas emissions.
	Support transition to net zero carbon emission by 2050	Prepare 5 year plan that shows clear evidence of progress
	Minimise waste as part of shift to a circular economy.	Annual reduction of waste

Aeronautical

Measure		Target
	Annual passenger movements (arrivals and departures at Hokitika Airport)	Increase Passenger numbers by 20%

1. An occurrence or deficiency involving a major system that caused, or had the potential to cause, significant problems to the function or effectiveness of that system.



CAPITAL EXPENDITURE & ASSET MANGEMENT

Destination Westland's capital and asset management framework focuses on the efficient and compliant stewardship of the company's assets. Over the next 10 years, we intend to:

- Maintain and renew aeronautical assets to ensure safety, regulatory compliance, and operational continuity.
- Invest in infrastructure enhancements that support future air service development, heliport growth, and compatible commercial activities.
- Strengthen asset management capability through improved data, systems, and forecasting tools.
- Align capital expenditure with strategic priorities, lease terms, and shareholder expectations, ensuring clear justification and benefits for each investment.

Destination Westland will annually review it's 10-year capital plan, in consultation with WDC, to ensure transparency and alignment with our Shareholder direction and LTP.

The approval of Westland District Council must be obtained for any significant purchases or asset developments, including the funding mechanism for any purchase or development in excess of \$500,000.

ACQUISITION OF OTHER INTERESTS

The Company will not subscribe for, purchase, or otherwise acquire shares in any company or other organisation without first being authorised to do so by a special resolution of the Shareholder.

SALE AND DISPOSAL OF ASSETS

The Company will not sell or dispose of any Company assets exceeding \$100,000 in value without first being authorised to do so by a special resolution of its Shareholder.

COMMERCIAL VALUE OF SHAREHOLDER INVESTMENT

The Directors estimate that the commercial value of the Shareholders' investment in Destination Westland Limited will be represented by the opening balance of Shareholders' Funds. The Directors will advise the Shareholders on an annual basis if they believe the Shareholder Investment Value will differ materially from this amount.

The Directors may elect to revalue land improvements and investments on an annual basis in line with current Audit New Zealand policy.

RISK MANAGEMENT

The Company shall complete and document a risk management analysis together with strategies for mitigation of these risks.

The Company shall work with Westland District Council to agree on formal communication protocols to improve communication with Council's elected representatives, relevant staff and stakeholders as it relates to the activities of the Company.

The company has formal Fraud and Communication Policies in place and all Directors and staff are to be aware of this policy.

HOKITIKA AIRPORT - PROJECT HARP COLLABORATION

Destination Westland Ltd acknowledges the significant capital works programme at Hokitika Airport, led by Westland District Council. While Council retains overall responsibility, Destination Westland will work closely with the project team to support safe, compliant, and coordinated delivery.

We will:

- Work alongside the Council-appointed team to help maintain the project management plan.
- Ensure airport operations continue safely in line with CAA Rule Part 139.
- Coordinate staging, airside access, and operational continuity with contractors.
- Participate in risk reviews and assist with documenting mitigation measures.
- Support governance through clear communication and joint planning.

This collaborative approach helps enable critical upgrades while ensuring safe and compliant airport operations.

28.08.25 - Ordinary Council Meeting



REPORTING TO SHAREHOLDERS

DWL operates on a 'no surprises' basis in respect of significant shareholder-related matters, especially on matters likely to cause community or political concerns, to the extent possible in the context of commercial sensitivity and confidentiality obligations.

Statement of Intent

- Draft to be delivered to the shareholder on or before 1 March in the year preceding the financial year to which the draft Statement of Intent relates.
- Comments from the shareholder on draft Statement of Intent, if any, to be provided to NAL by 1 May.
- Final Statement of Intent to be delivered to the shareholder following consideration of any shareholder comments by 31 May, or later if allowed by the shareholder. In any case not later than 30 June.
- Final Statement of Intent to be made available to the public following adoption by the shareholder.

Half Yearly Financial Report

To be delivered to shareholders by 28 February. The half-yearly report will include:

- A Directors' Report which includes commentary on DWL's operations and performance against non-financial performance measures
- A condensed Statement of Comprehensive Income
- A condensed Statement of Changes in Equity
- A condensed Statement of Financial Position
- A condensed Statement of Cash Flows
- Appropriate Notes to the condensed Financial Statements

Quarterly Report

Between the annual report and half yearly report, DWL will:

- Deliver to WDC a quarterly report
- Provide commentary on the quarterly operations performance and future outlook and any special events likely to affect the performance of areas of operation

Annual Report

- To be delivered to the shareholder by 30 September unless shareholder advises otherwise.
- A Directors' Report including a summary of the financial results, a review of operations, a comparison of performance in relation to objectives.
- A Statement of Comprehensive Income disclosing actual and budgeted revenue and expenditure and comparative actual figures from the previous year.
- A Statement of Changes in Equity with actuals and comparative figures from the previous year.
- A Statement of Financial Position with actuals and comparative figures from the previous year.
- A Statement of Cash Flows with actuals and comparative figures from the previous year.
- An Auditor's Report on the above statements and the measure of performance in relation to objectives.

Annual Shareholder Meeting

To be held by 31 December each year.

ACCOUNTING POLICIES

The reporting entity for accounting and financial reporting purposes is Destination Westland Limited. Destination Westland Limited has a balance date of 30 June.

Destination Westland's accounting policies comply with legal requirements of the Companies Act 1993, the Financial Reporting Act 2013, the Local Government Act 2002 and with New Zealand Generally Accepted Account Practice (NZ GAAP).

The Company reports financially under the Accounting Standards Framework implemented by the Financial Accounting External Reporting Board. For financial reporting purposes Destination Westland Limited is a public benefit entity (PBE). By Virtue of the size of the business the Company reports under the Reduced Disclosure Regime to Tier 2 requirements.

Accounting Policies are set out in detail in Destination Westland Limited's Annual Report which is available on the Company's website at www.destinationwestland.co.nz





DISTRIBUTION POLICY

Distributions will be paid, either by way of Dividends to Westland District Council or Subvention Payment to Westland District Council, as agreed with Westland District Council.

A subvention payment is defined as a payment based on a dollar for a dollar of tax loss.

The degree of profit retention/distribution will be agreed annually with Westland District Council, and included in the annual Statement of Intent, subject to the following criteria:

- The amount of any distribution considers Destination Westland Limited's ability to fund future capital expenditure requirements, to maintain and expand its operations, or to address matters related to the debt structure of the Company.
- Total liabilities not to exceed 30% of the total assets without the approval of Westland District Council.

SALE OF GOODS/SERVICES TO LOCAL AUTHORITY

It is considered likely that Destination Westland Limited will carry out some activities for which the Board will seek compensation from the Westland District Council, or its subsidiaries. These charges could be related to the sale, rental or leasing of property owned or managed by the Company or by Council or any other services as required.

Any compensation received and details of the undertaking will be reported in the annual report of Westland District Council.

Any commercial activities carried out for and or by Destination Westland Limited in relation to Westland District Council, or its subsidiaries will be at market rates.

PROJECT HARP

Hokitika Airport Capital Works Collaboration

Destination Westland Ltd acknowledges the significant capital works programme at Hokitika Airport, led by Westland District Council. While Council retains overall responsibility, Destination Westland will work closely with the project team to support safe, compliant, and coordinated delivery.

We will:

- Work alongside the Council-appointed team to help maintain the project management plan.
- Ensure airport operations continue safely in line with CAA Rule Part 139.
- Coordinate staging, airside access, and operational continuity with contractors.
- Participate in risk reviews and assist with documenting mitigation measures.
- Support governance through clear communication and joint planning.

This collaborative approach helps enable critical upgrades while ensuring safe and compliant

PROSPECTIVE STATEMENT OF

COMPREHENSIVE INCOME

FOR THE YEARS ENDING 30 JUNE

	2026 \$000	2027 \$000	2028 \$000
Revenue from Exchange Transactions			
Lease Income	1,563	1,768	1,837
Services	68	74	80
Landing Fees	647	729	824
Total Revenue from Exchange Transactions	2,278	2,571	2,741
Revenue from Non-Exchange Transactions			
Total Revenue from Non-Exchange Transactions	-	-	-
Total Revenue	2,278	2,571	2,741
Less Expenditure			
Operating Expenses	949	972	981
Depreciation & Impairment Losses	325	350	375
Change in Fair Value of Investment Property	40	20	20
Interest Expense	105	100	90
Service Delivery Costs	91	105	122
Occupancy Costs	592	658	730
Total Expenses	2,102	2,205	2,318
Surplus/(Deficit) before Income Tax	176	366	423
Income Tax Expense/(Credit)	49	102	118
Surplus/(Deficit) for the Period	127	263	303
Other Comprehensive Income			
Gain on Land, Building & Runway Revaluation	450	-	-
Deferred Taxation on Revaluation	(126)	-	-
Total Other Comprehensive Income	324	-	-
1. Total Comprehensive Income	451	263	303
Financial Targets			
EBITDA	281	465	511
Interest Coverage	2.68	4.66	5.70

PROSPECTIVE STATEMENT OF

FINANCIAL POSITION

AS AT 30 JUNE

	2026 \$000	2027 \$000	2028 \$000
EQUITY			
Share capital	9,130	9,130	9,130
Retained Earnings	771	1,033	1,336
Asset Revaluation Reserve	5,907	5,907	5,907
Total Equity	15,808	16,070	16,373
represented by:			
CURRENT ASSETS			
Total current assets	898	1,045	780
CURRENT LIABILITIES			
Working Capital (Deficit)	412	456	189
NON-CURRENT ASSETS			
Total Non-Current Assets	20,577	20,795	20,865
NON-CURRENT LIABILITIES			
Total Non-Current Liabilities	5,181	5,181	4,681
Net Assets	15,808	16,070	16,373

AERONAUTICAL ASSETS

FOR THE YEARS ENDED 30 JUNE

	2026 \$000	2027 \$000	2028 \$000
Revenue from Aeronautical Assets	647	729	824
Aeronautical Assets Value	6,015		

28.08.25 - Ordinary Council Meeting

Note: Forecasts prepared with out the inclusion of Project Harp assets as grant/equity treatment not confirmed at time of collation.

PROSPECTIVE STATEMENT OF

CASH FLOWS

FOR THE YEARS ENDED 30 JUNE

	2026 \$000	2027 \$000	2028 \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
NET CASH FLOWS FROM OPERATING ACTIVITIES	742	617	550
CASH FLOWS FROM/(TO) INVESTING ACTIVITIES			
NET CASH FLOW FROM/(TO) INVESTING ACTIVITIES	(500)	(500)	(295)
CASH FLOW FROM/(TO) FINANCING ACTIVITIES			
NET CASH FLOW FROM/(TO) FINANCING ACTIVITIES	-	-	(500)
Net increase/(decrease) in cash for the year	242	117	(245)
Add opening bank accounts and cash	286	528	645
Closing bank accounts and cash	528	645	400
<i>Made up of:</i>			
Current Accounts	528	645	400
	528	645	400



Hokitika Airport
13 Airport Drive
Hokitika 7810

www.destinationwestland.co.nz

Report to Council



DATE: 28 August 2025

TO: Mayor and Councillors

FROM: Finance Manager

PROJECTS AND CARRY FORWARDS TO 2025-26

1. Summary

- 1.1. The purpose of this report is to seek Council approval for the carry forward of funding of projects and operating costs and revenues that were scheduled from previous financial years but were not completed by 30 June 2025.
- 1.2. This issue arises because Council is accountable for the application of its revenues and other funding sources to service levels and infrastructure in accordance with its Long Term Plan 2025-34.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2025, which are set out in the Long Term Plan 2025-34. Refer page 2 of the agenda.
- 1.4. This report concludes by recommending that Council approve the carry forward of funds for the project costs itemised in **Appendix 1** and approve the future allocation of funds for specific purposes.

2. Background

- 2.1. The reason the report has come before the Council is due to the Council approving its annual budget based on planned levels of service and capital works for the financial year.
- 2.2. It is common that certain undertakings will be partially complete, committed but not started, or deferred as at the end of the financial year.
- 2.3. These items will appear as favourable variances in the financial year 2024-25 in which their funding was recognised as revenue, or where debt was planned to be drawn.
- 2.4. Council has an obligation to deliver on its commitments, but where projects and expenditure are carried forward, they will be reported as adverse variances against the budget for the financial year in which they are completed.

2.5. Typically, the types of items carried forward are:

- 2.5.1. Capital projects partially completed.
- 2.5.2. Projects funded by third parties.
- 2.5.3. Long-term operational projects.
- 2.5.4. Activities whose frequency is less than annual but for which funding is phased evenly over more than one financial year.

3. Current Situation

- 3.1. The Council is expecting to report a favourable variance in its external debt position for the year ended 30 June 2025, after eliminating debt held on behalf of and on-charged to Council Controlled Organisations. This in part relates to the non-completion of the items proposed for carry forward attached as **Appendix 1**.
- 3.2. Any variances against Council's operating budget will be addressed in the Annual Report for the year ending 30 June 2025. However, the funds proposed for future allocation will be included in these variances.
- 3.3. The amounts proposed to be carried forward are estimated by deducting expenditure to date from the original budget and adjusted by any known variations as advised by activity managers.
- 3.4. Where projects have been cancelled or superseded in the budget for 2024-25, they have been excluded from the carry forward schedule.
- 3.5. The proposed carry forward schedule has been drafted after consideration of these commitments alongside those included in the Long Term Plan for 2025-34.
- 3.6. Progress on completion of these items will be communicated through Council's monthly financial reports.

4. Options

- 4.1. Option 1: Approve the carry forward of funds for the projects in **Appendix 1** and the future allocation of funds for specific purposes.
- 4.2. Option 2: Approve amended schedule, adding or deleting items.
- 4.3. Option 3: Reject all carry forwards.

5. Risk Analysis

- 5.1. Risk has been considered, and the following risks have been identified: reputational risk because of uncompleted projects carried forward for unrealistic commitments. Financial risk has also been considered where Council has already funded expenditure that has a rates element which, if the project does not continue, may require repayment of rates to ratepayers; there is also the risk of having to repay external funding.

6. Health and Safety

- 6.1. Health and Safety has been considered, and there is potential for staff to become overwhelmed with the volume of commitments being undertaken. Council management has acknowledged this and will manage the well-being of staff.

7. Significance and Engagement

- 7.1. The level of significance has been assessed as being low significance insofar as it relates to existing circumstances that have been reported throughout the financial year.
- 7.2. No public consultation is considered necessary as all items were consulted on through the previous long-term plan or annual plans, with some items that are funded through external funding that were not consulted on, however, these have been reported on through the normal channels throughout the year.

8. Assessment of Options (including Financial Considerations)

- 8.1. Option 1 – will generate adverse operating variances and additional debt requirements in the financial year, 2025-26. However, these are merely the inversion of favourable variances in 2024-25 and are therefore essentially timing differences. Option 1 is financially prudent because it ensures that Council's revenues and funding sources are applied to their intended purposes. It would also meet community expectations as Council will deliver on its commitments undertaken in the Long Term Plan 2025-34.
- 8.2. Option 2 – would invoke some departures from the Long Term Plan 2025-34 and may cause some adverse community reaction. This may be appropriate if Council determines that alternative applications of these funds are more prudent or of higher priority, or that the requirements have substantially changed.
- 8.3. The financial implications of Option 2 would not be known until the extent of the changes that Council suggest are known, but there are likely to be some implications.
- 8.4. The financial implications of this option could be significant if external funding has to be repaid and rates adjustments made.

9. Preferred Option(s) and Reasons

- 9.1. The preferred option is Option 1 – approve the carry forward of funds for the project costs itemised in **Appendix 1** and the future allocation of funds for specific purposes.
- 9.2. The reason that Option 1 has been identified as the preferred option is that this will demonstrate Council's resolve to deliver on its commitments and will ensure that revenues and other sources of funds are applied to their intended purposes.

10. Recommendation(s)

- 10.1. That the report be received.
- 10.2. That Council approve the carry forward of funds for the projects itemised in **Appendix 1** to the financial year 2025-26.
- 10.3. That Council approve the future allocation of funds for specific purposes.

Lynley Truman
Finance Manager

Appendix 1: Additional Capital Expenditure Budget carried forwards request.

APPENDIX 1

Capital Expenditure Carried Forwards to 2025/26 Request							
Project	\$ Value	Renewal	LOS	Growth	Grant Funding	Reserve Funding	Loan Funding
IT							
Aerial photography	19,668	19,668				19,668	
IT Total:	19,668	19,668	-	-	-	19,668	-
Halls							
Carnegie - Museum fitout (electrical works & lighting, & install doors	35,000	35,000					35,000
Carnegie Museum fitout (automatic doors)	16,500	16,500			16,500		
Halls Total:	51,500	51,500	-	-	16,500	-	35,000
Township Maintenance							
Hokitika Rubbish Bins	12,528	12,528				12,528	
Franz Josef Community Bins	16,920		16,920			16,920	
Franz Josef Urban Revitalisation Plan	133,201		133,201			133,201	
Kumara Rubbish Bins	10,000	10,000				10,000	
Township Maintenance Total:	172,649	22,528	150,121	-	-	172,649	-
Parks							
Kumara playground equipment upgrade/replacement	18,072	12,650	5,422			18,072	
Whataroa playground equipment	1,536	1,075	461			1,536	
Haast playground equipment upgrade/replacement	3,072	2,150	922			3,072	
Cass Square - new developments	49,500		49,500				49,500
Heritage area lighting and banners	24,704		24,704				24,704
Ross Community Pole Shed & Land	82,908			82,908			82,908
Parks Total:	179,792	15,876	81,008	82,908	-	22,680	157,112
Solid Waste							
Butlers Intermediate Capping	109,265	109,265					109,265
Butlers New Cell/Franz Josef Waste Management	13,241		13,241		13,241		
Hokitika - Refuse General Upgrade	10,000	10,000				10,000	
Haast Landfill Capping	24,259	24,259					24,259
Misc Plant & Equipment for Waste Minimisation	3,399		3,399				3,399
Haast Transfer Station Development	100,000		100,000				100,000
Solid Waste Total	260,164	143,524	116,640	-	13,241	10,000	236,923
Stormwater							
Livingstone St Pump Upgrade/Hokitika sw retic with pump upgrade	1,546	1,546				773	773
Stormwater Total	1,546	1,546	-	-	-	773	773
Wastewater							
Hokitika Upgrade Pump Stations - Pumps and Components	20,034	20,034				20,034	
Hokitika WWTP Components replacement	13,905	13,905				13,905	
Fox Glacier WWTP Components replacement	12,873	12,873				12,873	
Wastewater Total	46,812	46,812	-	-	-	46,812	-
Water Supply							
Kumara Existing Reservoirs Replacement	72,800	72,800				72,800	
Kumara Seismic valves/Burst Control valves	48,680		48,680				48,680
Ross Watermain & Fittings Upgrades	61,452	18,436	43,016			18,436	43,016
Franz Josef Water Meters Replacement	73,412	73,412				73,412	
Franz Josef Watermains/Points Replacement	-45,261	-13,578	-31,683			-13,578	-31,683
Water Supply Total	211,083	151,069	60,014	-	-	151,069	60,014
Carried forward capital projects total:	943,214	452,523	407,783	82,908	29,741	423,651	489,822

Notes:

In addition are carried forwards for Land Transport Capital Projects which are subject to the terms of the 3-year NZTA agreement and, as such, have not been included above.

During the preparation of the Long Term Plan 2025-34 (LTP) projects identified as not expected to be completed in 2024/25 included carried forwards within the 2025/26 plan. The request above for \$943,214 (excl. Land Transport) is additional carried forward requirements and, in one instance, a partial reversal of a carry forward included in the LTP. the total in the plan for 2025/26, if approved, would be \$20,085,674.

Report to Council



DATE: 28 August 2025

TO: Mayor and Councillors

FROM: Chief Executive

CHIEF EXECUTIVE CREDIT CARD

1. Summary

- 1.1. The purpose of this report is for Council to approve increasing the limit on a Westland District Council credit card for business expenses incurred by the Chief Executive.
- 1.2. This issue arises from the need to incur recurring business expenses in carrying out duties above the \$5,000 limit which was previously allocated to the Group Manager, Corporate Services role.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2024, which are set out in the Enhanced Annual Plan 2024/2025. Refer page 2 of the agenda.
- 1.4. This report concludes by recommending that Council approve to increase the credit card limit to \$10,000 from \$5,000 for the Chief Executive for business use.

2. Background

- 2.1 The reason the report has come before the Council is that purchases for software by Information Technology require a credit card payment rather than a purchase order payment, and the potential for costs to exceed the \$5,000 credit card limit.
- 2.2 Information Technology have provided purchase for technology licences where this has been possible.

3. Current Situation

- 3.1. The Chief Executive has requested an increase in the credit card limit to \$10,000 from \$5,000 for the purpose of business expenses.
- 3.2. Credit cards are included within the sensitive expenditure policy, a copy of which is attached as **Appendix 1** with updated wording including tracked changes to include the provision of a credit card for the Chief Executive.
- 3.3. The Delegations Manual must also be updated to include a credit card for the Chief Executive.

3.4. The Chief Executive does not believe there is any further risk to the organisation, as the credit card management will be the same as the previous business credit card in the name of the Corporate Services and Risk Assurance. This card is used as per the sensitive expenditure policy for one-off payments, where this is the only option for payment, generally, such things as software.

3.5. The credit limit requested is \$10,000 and expenditure would be signed off by the Chief Executive and Mayor together.

3.6. It should be noted that expenditure on a credit card provided to a Mayor or Chief Executive is publicly available information and will be reported to Council on a quarterly basis.

4. Options

4.1. Option 1: That Council approve a credit card limit increase from \$5,000 to \$10,000 for the Chief Executive for business use.

4.2. Option 2: That Council does not approve a credit card limit increase for the Chief Executive for business use.

5. Risk Analysis

5.1. Risk has been considered and the following risks have been identified:

Financial loss if used incorrectly.

Loss of GST reclaimed if tax receipts are not provided.

Reputational Risk.

6. Health and Safety

6.1. Health and Safety has been considered and no items have been identified.

7. Significance and Engagement

7.1. The level of significance has been assessed as being low as the report is for administrative purposes only.

7.1.1. No public consultation is necessary.

8. Assessment of Options (including Financial Considerations)

8.1. Option 1: That Council approve a credit card limit increase for the Chief Executive for business use.

8.2. Option 2 – That Council do not approve a credit card limit increase.

9. Preferred Option(s) and Reasons

9.1. The preferred option is Option 1.

9.2. The proposed credit limit is small at \$10,000 per month, and provided the Chief Executive retains receipts for finance to process GST refunds there should be little risk.

10. Recommendation(s)

10.1. That the report be received.

10.2. That Council approve to increase the credit card limit for the Chief Executive for business use from \$5,000 to \$10,000.

10.3. That Council direct staff to update the wording in the Sensitive Expenditure Policy accordingly.

10.4. That Council direct staff to update the wording in the Delegations Manual accordingly.

Barbara Phillips

Chief Executive

Appendix 1: Sensitive Expenditure Policy

1. Purpose

The purpose of this policy is to provide elected members and managers with a clear framework for managing sensitive expenditure and ensure 'sensitive expenditure' is appropriately controlled.

This policy has therefore been developed, based on the Office of the Auditor General's 'Guidelines on Sensitive Expenditure for Public Entities'.

1.1 Scope

This policy applies to all elected members, employees, as well as any other individuals who may incur expenditure on Council's behalf or seek reimbursement from Council for expenditure incurred.

1.2 Commencement

This policy comes into force on 18 March 2024

1.3 Definitions

- **Entertainment Expenses**
Expenditure on food, beverages, tickets for events, and related supplies for events, involving one or more Council employee(s)/Elected Members and/or one or more guests, and the purpose of the expenditure is to represent the Council or provide reciprocity of hospitality or build business relationships in pursuit of Council goals.
- **Official Function**
Social functions, entertainment events, ceremonies, meetings, special events and conferences that can be demonstrated to provide clear benefit to the Council. Such functions must be sanctioned by the Chief Executive.
- **Public Money**
Funds/money collected by either central or local government. The Controller & Auditor-General guide states that because councils are dealing with public money and as such should be subject to the standards of probity and financial prudence expected of a public entity. These expectations are higher than those that exist in the private sector.
- **Sensitive expenditure**
Any WDC expenditure that provides, or has the potential to provide, or has the perceived potential to provide a private benefit to an individual employee or elected member that is additional to the business benefit to the entity of the expenditure.
It also includes expenditure that could be considered unusual for WDC's purpose and/or functions. Travel, accommodation, gifts and hospitality, credit cards and private use of Council assets are all examples of sensitive expenditure.

2. Policy Statements – Principles and Ethics

2.1 Principles and Ethics

WDC spends public money and, as a consequence, all expenditure should be subject to a standard of probity and financial prudence expected of a local authority and be capable of withstanding public scrutiny.

Council is obliged to safeguard and use its resources in a responsible manner. Furthermore, Council staff and elected members must guard against actual or perceived conflicts of interest in regard to the use of those resources. Due to the risk of perceived or actual personal benefit to the elected member or employee arising from certain expenditure categories, such as travel, accommodation, gifts and hospitality, the Controller and Auditor-General defines them as 'sensitive' expenditure.

WDC expects all employees involved in arranging, making or approving expenditure to apply the following principles:

- do so only for WDC purposes;
- exercise prudence and professionalism;
- not derive personal financial gain;
- act impartially;
- ensure expenditure is moderate and conservative in the context of the given situation;
- have read and adhered to this and other relevant Council policies.

The Council's Codes of Conduct identify the required behavioural standards for staff and elected members in all areas of their work.

2.2 Determining when sensitive expenditure is appropriate

In deciding what appropriate sensitive expenditure is, elected members and employees need to take account of both individual transactions and the total amount of sensitive expenditure.

Even when sensitive expenditure decisions can be justified at the item level, the combined amount spent on a category of expenditure may be such that, when viewed in total, WDC could be criticised for extravagance and waste.

2.3 Responsibility of the Mayor, Councillors and Executive Team Leaders

Overall responsibility for this policy rests with the Mayor, Councillors and Executive Leadership Team (ELT). This group must make it clear to staff what is and is not 'acceptable' sensitive expenditure and model those behaviours to the highest standard.

2.4 Controls and Judgement

In the absence of a specific rule for a given situation, the Mayor, Councillors and ELT are expected to exercise good judgement by taking the principles in this policy into account in the context of the given situation.

The Mayor, Councillors and ELT are required to ensure transparency in both sensitive expenditure and remuneration systems, to avoid any trade-off between the two. Items of expenditure that may not be justified under the principles of this policy should not be included as part of an employee's remuneration for the purposes of avoiding scrutiny against sensitive expenditure principles.

3. Policy

3.1 Travel and accommodation and meals expenditure

3.1.1 Elected members and employees may need to incur travel and accommodation costs while conducting Council business elsewhere in New Zealand or overseas.

3.1.2 All travel involving flights or rental cars and accommodation requires approval from the traveller's manager or for elected members, the Mayor.

3.1.3 Travel and accommodation should be booked by the business support officers using WDC approved travel consultants using the Laserfiche form. Travel should be booked well in advance unless urgent travel, to secure the most cost-effective airfares available.

3.1.4 Accommodation should be moderate, cost effective and appropriate to requirements, taking into account location, standard, safety and security, and preferably have a charge back facility for meals (not including Alcohol). Persons are encouraged to use this facility. Meals are required to be reasonable. Council will not reimburse any purchase of alcoholic beverages.

Where the chargeback facility is not used or unavailable all claims must be supported by tax receipts. Council will not reimburse mini bar expenses.

If meals are part of another package such as lunches and dinner included in conference registration, meal expenses cannot be claimed.

3.1.5 Travel arrangements will only be made for employees, elected members or other persons that Council are engaging for work purposes unless specifically pre-approved by the Chief Executive. Travel and associated costs of accompanying spouses, partners or other family members will not be organised or paid for by Council unless specifically pre-approved by the Chief Executive.

Care for dependants is generally a personal cost. Care of dependents in exceptional circumstances - the Chief Executive may authorise the reimbursement of actual and reasonable costs for care of dependent. Situations where this reimbursement may be appropriate include, when a staff member is unexpectedly required to perform additional duties at very short notice, or a dependant unexpectedly requires additional care that the staff member cannot provide because of the essential nature of their duties at the time.

3.1.6 Staff may be allowed to take private travel before, during or at the end of travel on business provided no additional cost is incurred and the private travel is incidental to the business purpose. Pre-approval is required by the traveller's manager.

3.1.7 Where the employee chooses to stay privately with friends or family that is not their main residence, provided this will not significantly result in extra travel or other costs being incurred, a daily allowance of \$50.00 per night may be claimed to allow for a gift or contribution to be given to the host.

3.1.8 While travelling in New Zealand tipping should not occur or will be a personal charge. While travelling outside NZ the principle of moderate and conservative should apply.

3.1.9 Council will not pay for membership of airline clubs. Air points earned as part of business travel accrue to the individual, air travel must not be used in order to accrue air points.

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Private use of a rental car should not incur any additional cost to Council and should be reasonable.

3.2.3 Staff members are expected to comply with traffic, parking, and other laws when on Council business. The driver is responsible for any fines for parking or traffic offences incurred while using Council, rental or own vehicle for company business.

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3.3.2 Expenditure on entertainment and hospitality should be claimed by the senior member of the group and only for the following purposes:

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3.3.2.3 Reciprocity of hospitality where the case has a clear business purpose and is within normal bounds; and

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3.3.4.2 Approved at the relevant level as per the delegation's manual (for the CE this would be the Mayor), with clear and appropriate limits on quantities.

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3.4.1 Donations made by Council must be approved by the Chief Executive and must be lawful in all respects, disclosed in aggregate in Council's Annual Report and made to a recognised organisation directly to the recipient's bank account.

3.4.2 Council must not donate to political organisations.

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3.5.1 Koha is a gift, token or contribution given on appropriate occasions including:

- tangihanga;
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- for use on or for a marae; and
- kaumatua support for pōwhiri, mihi whakatau meetings, or other events.

3.5.2 The probity issue associated with koha is that it is discretionary and usually un-receipted expenditure. Therefore, Koha should reflect the occasion, and be clearly documented including the date, amount, description, and purpose.

3.5.3 Koha should be pre-approved by the [Chief Executive](#).

3.5.4 Generally payment should not exceed \$500 and preferably be paid by bank transfer if at all possible.

3.5.5 The following cannot be described as koha as there may be tax implications;

- Payments for personal services which may attract tax
- Provision of services or fee for services is a business transaction
- Payment for use of marae premises involving accommodation, food, drink and/or other services is a business arrangement
- Any other payment that is not an unconditional gift which is assessable for tax in one form or another

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3.6.2 Giving gifts by WDC to external parties may be appropriate as a gesture of gratitude and appreciation towards member(s) of the public or other organisations that have volunteered and contributed to WDC. This includes where a staff member has visited another organisation to gain assistance with WDC business.

3.6.3 Prior authorisation of the Chief Executive in consultation with the relevant group manager is required for giving gifts to external parties.

3.6.4 Giving of gifts or prizes must be appropriate, transparent, and reasonable, and must be approved by the Chief Executive.

3.6.5 They should be coded appropriately so that they can be assessed for Fringe Benefit Tax.

3.6.6 Elected members should not abuse the advantages of their official position for personal gain, nor solicit or accept gifts, rewards or benefits that might compromise their integrity. Personal judgement is required by the elected member to determine whether to accept a gift or declare the gift as a 'gift to the office' as opposed to the individual.

3.6.7 The exchange of gifts during official international or inter-council visits is accepted practice. These gifts are generally regarded as being to the office rather than to the individual. Any such gifts should be entered onto the Council Gift Register.

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3.7.1 Using credit cards is not a type of sensitive expenditure, however they are a common method of payment for such expenditure.

3.7.2 ~~One~~ There are two cards only ~~is~~ issued to, ~~the Chief Financial Officer the Group Manager, Corporate Services~~ with a limit of \$10,000. ~~The Chief Executive with a limit of \$105,000 for business expenses only.~~

3.7.3 The use of the ~~credit~~ card ~~issued to the Chief Financial Officer Group Manager Corporate Services and Risk Assurance is~~ restricted to;

3.7.3.1 International and online purchases

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3.7.4 Credit card usage is monitored monthly with the statement approval being obtained from the ~~Chief Financial Officer Group Manager, Corporate Services~~ and the Chief Executive signing together (or those acting together in their absence) following reconciliation of card transactions to the statement and the supporting invoices.

3.7.5 The credit card statement for the card issued to the Chief Executive is to be signed off by the Chief Executive and The Mayor together after reconciliation of card transactions to the supporting receipts.

3.7.6 Credit card transactions must be supported by tax invoices or other original documentation.

3.7.7 All purchases must be pre-approved in compliance with the delegation's manual.

3.7.8 On the card holder's termination of employment, the card will be returned to Finance who will arrange for the card to be cancelled and physically destroy the card.

3.7.9 Credit cards may not be used for cash advances, or private expenditure.

3.7.10 Credit card payments made online need to reflect good security practice as per below;

3.7.10.1 Purchase only from established and reputable companies

3.7.10.2 Online purchases must comply with Council's Procurement Policy.

3.7.10.3 Credit card details must not be saved on internet websites for future purchases.

3.8 Sale of surplus assets to staff

3.8.1 Refer to the Asset Disposal Policy which should be read in conjunction with this policy.

3.8.2 Staff responsible for disposing of assets should not benefit from the disposal.

3.9 Loyalty reward schemes

3.9.1 Loyalty reward schemes benefit customers who continue to use a particular supplier.

3.9.2 To preserve impartiality and integrity, it is expected that staff making procurement decisions would not personally receive any loyalty rewards as a result of those decisions.

3.9.3 Where rewards accrued from Council business in any one financial year equate to a value of less than \$100, the points may be retained by the individual.

3.9.4 Where rewards accrued in any one financial year equate to a value in excess of \$100, the points in excess of \$100 may be retained by Council.

3.9.5 Staff should keep a record of loyalty rewards accrued and supply Council with the record.

3.10 Private use of Council assets

3.10.1 Council assets, including photocopiers, stationery, telephones, mobile phones and internet access, should not generally be used for private use unless permitted by relevant policy.

3.10.2 Refer to the ICT Acceptable use policy for what is considered acceptable use.

3.10.3 Where an employee is provided with equipment to be housed at their place of residence to assist Business Continuity reasonable personal use is permitted.

3.11 Council use of personal assets

3.11.1 Refer to the ICT Acceptable use policy for what is considered acceptable use of ICT assets.

3.11.2 From time to time Council employees may need to use a private motor vehicle for business travel. The travel must be approved by the immediate manager and will be reimbursed through the purchase order system at the current IRD mileage rate.

3.12 Personal use of Council suppliers

3.12.1 Managers are responsible for ensuring that the selection of suppliers is in Council's interests and is not affected by purchasing privileges available to staff.

3.12.2 Access to staff preferential purchases from suppliers is subject to:

3.12.2.1 Use of such privileges being moderate.

3.12.2.2 Personal purchases not being made on behalf of third parties (such as family members, friends).

3.12.2.3 Payment being made in full at time of purchase by the staff member to the supplier.

3.12.2.4 Council not being used as a source of credit.

3.12.2.5 Staff time should not be used to procure goods and/or services for an employee's personal benefit.

3.12.2.6 Value and quantity limits being set where appropriate.

3.12.2.7 Finance department monitoring staff purchases to avoid risks to future procurement decisions.

4. Reporting

Documentation and receipts are required for all sensitive expenditure with appropriate approvals where required and will be used for both internal purposes and external audit review.

Reimbursements must be made through payroll using the employee reimbursement procedure Laserfiche form.

5. Breach of this policy

Investigation and disciplinary action may result from any breaches of this policy.

Serious breaches that may constitute an instant of fraud could result in investigation by external agencies.

6. Related Documents and Acts

The following Westland District Council documents relate to this policy:

- Staff Code of Conduct
- Elected Members Code of Conduct
- Fraud Policy and Framework
- Protected Disclosures (Protection of Whistleblowers) Policy
- Safe Driving Policy
- Delegations Manual
- Gifts and Hospitality Policy
- ICT Acceptable Use Policy
- Conflict of Interest Policy
- Procurement Policy

The following Legislation relates to this policy:

- Local Government Act 2002
- Local Authority (Members' Interests) Act 1968
- Controller and Auditor-General's publication, Controlling sensitive expenditure: Guidelines for public entities

Note: Any legislation referred to should be interpreted as meaning the Act and its amendments

Staff are also referred to:

- Employment Agreements

7. Policy Review

A review of this policy will take place in MONTH YEAR.

Created:	March 2024	Date for review:	March 2027
Author:	GMCS & RA	Authorised by:	<u>Exec Team</u> <u>18.03.2024</u> <u>Council 26 June</u> <u>2025</u>
Consulted on:		Version	<u>V43</u>

Report to Council



DATE: 28 August 2025

TO: Mayor and Councillors

FROM: Chief Executive

CHIEF FINANCIAL OFFICER - CREDIT CARD

1. Summary

- 1.1. The purpose of this report is for Council to approve a Westland District Council credit card for business expenses incurred by the Chief Financial Officer.
- 1.2. This issue arises from the need to incur business expenses in carrying out duties.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2024, which are set out in the Enhanced Annual Plan 2024/2025. Refer page 2 of the agenda.
- 1.4. This report concludes by recommending that Council approve a credit card for the Chief Financial Officer for business use.

2. Background

- 2.1 The reason the report has come before the Council is that there is currently only one credit card issued in the name of the Chief Executive.
- 2.2 Approval is sought for a second business credit card in the name of the Chief Financial Officer.
- 2.3 Staff generally claim expenses back through the Laserfiche system and are paid in the following payroll run.

3. Current Situation

- 3.1. A credit card has been issued in the name of the Chief Executive for the purpose of business expenses. A separate report has been tabled to increase the credit card limit in the name of the Chief Executive from \$5,000 to \$10,000 as the card is used by Information Technology and the District Library for software licences where a Council-generated purchase order is not able to be used.
- 3.2. The Chief Executive is currently recruiting for a Chief Financial Officer .
- 3.3. Credit cards are included within the sensitive expenditure policy, a copy of which is attached as **Appendix 1** with updated wording including tracked changes to include the provision of a credit card for the Chief Financial Officer.
- 3.4. The Delegations Manual must also be updated to include a credit card for the Chief Financial Officer.

3.5. The Chief Executive does not believe there is any further risk to the organisation, as the credit card management will be the same as the current business credit card in the name of the Chief Executive. This card is used as per the sensitive expenditure policy for one-off payments where this is the only option for payment for items such as the purchase of software licences for Information Technology and the District Library.

3.6. The credit limit requested is \$10,000 and expenditure would be signed off by the Chief Executive and Mayor together.

3.7. It should be noted that expenditure on a credit card provided to a Mayor or Chief Executive is publicly available information. It is envisaged that this will also apply to the Chief Financial Officer and it will be reported on quarterly.

4. Options

4.1. Option 1: That Council approve a credit card for the Chief Financial Officer for business use.

4.2. Option 2: That Council does not approve a credit card for the Chief Financial Officer for business use.

5. Risk Analysis

5.1. Risk has been considered and the following risks have been identified:

- Financial loss if used incorrectly.
- Loss of GST reclaimed if tax receipts are not provided.
- Reputational risk.

6. Health and Safety

6.1. Health and Safety has been considered and no items have been identified.

7. Significance and Engagement

7.1. The level of significance has been assessed as being low as the report is for administrative purposes only.

7.1.1. No public consultation is necessary.

8. Assessment of Options (including Financial Considerations)

8.1. Option 1: That Council approve a credit card for the Chief Financial Officer for business use.

8.2. Option 2 – That Council do not approve a credit card.

9. Preferred Options and Reasons

9.1. The preferred option is Option 1.

9.2. Provided the Chief Financial Officer retains receipts for finance to process GST refunds, there should be little risk.

If Council do not approve an additional credit card, the Chief Financial Officer will still be able to claim business expenses through the staff expenses reimbursement system.

Having to claim expenses occurred does reduce risk of mispend as the person claiming must provide tax receipts in order to receive reimbursement.

Having to claim expenses through the staff expenses reimbursement system will incur a delay of up to two weeks for expenses to be paid through payroll.

- 9.3 Having an additional credit card for business purposes in the organisation will mean that the Information Technology and District Library purchases of software licences will transfer to this credit card.

10. Recommendations

- 10.1. That the report be received.
- 10.2. That Council approve a credit card for the Chief Financial Officer for business use with a credit limit of \$10,000.
- 10.3. That Council approve the updated wording in the sensitive expenditure policy to include the provision of a credit card for the Chief Financial Officer.
- 10.4. That Council direct staff to update the wording in the delegations manual to include the provision of a credit card for the Chief Financial Officer

Barb Phillips
Chief Executive

Appendix 1: Sensitive Expenditure Policy

1. Purpose

The purpose of this policy is to provide elected members and managers with a clear framework for managing sensitive expenditure and ensure 'sensitive expenditure' is appropriately controlled.

This policy has therefore been developed, based on the Office of the Auditor General's 'Guidelines on Sensitive Expenditure for Public Entities'.

1.1 Scope

This policy applies to all elected members, employees, as well as any other individuals who may incur expenditure on Council's behalf or seek reimbursement from Council for expenditure incurred.

1.2 Commencement

This policy comes into force on 18 March 2024

1.3 Definitions

- **Entertainment Expenses**
Expenditure on food, beverages, tickets for events, and related supplies for events, involving one or more Council employee(s)/Elected Members and/or one or more guests, and the purpose of the expenditure is to represent the Council or provide reciprocity of hospitality or build business relationships in pursuit of Council goals.
- **Official Function**
Social functions, entertainment events, ceremonies, meetings, special events and conferences that can be demonstrated to provide clear benefit to the Council. Such functions must be sanctioned by the Chief Executive.
- **Public Money**
Funds/money collected by either central or local government. The Controller & Auditor-General guide states that because councils are dealing with public money and as such should be subject to the standards of probity and financial prudence expected of a public entity. These expectations are higher than those that exist in the private sector.
- **Sensitive expenditure**
Any WDC expenditure that provides, or has the potential to provide, or has the perceived potential to provide a private benefit to an individual employee or elected member that is additional to the business benefit to the entity of the expenditure.
It also includes expenditure that could be considered unusual for WDC's purpose and/or functions. Travel, accommodation, gifts and hospitality, credit cards and private use of Council assets are all examples of sensitive expenditure.

2. Policy Statements – Principles and Ethics

2.1 Principles and Ethics

WDC spends public money and, as a consequence, all expenditure should be subject to a standard of probity and financial prudence expected of a local authority and be capable of withstanding public scrutiny.

Council is obliged to safeguard and use its resources in a responsible manner. Furthermore, Council staff and elected members must guard against actual or perceived conflicts of interest in regard to the use of those resources. Due to the risk of perceived or actual personal benefit to the elected member or employee arising from certain expenditure categories, such as travel, accommodation, gifts and hospitality, the Controller and Auditor-General defines them as 'sensitive' expenditure.

WDC expects all employees involved in arranging, making or approving expenditure to apply the following principles:

- do so only for WDC purposes;
- exercise prudence and professionalism;
- not derive personal financial gain;
- act impartially;
- ensure expenditure is moderate and conservative in the context of the given situation;
- have read and adhered to this and other relevant Council policies.

The Council's Codes of Conduct identify the required behavioural standards for staff and elected members in all areas of their work.

2.2 Determining when sensitive expenditure is appropriate

In deciding what appropriate sensitive expenditure is, elected members and employees need to take account of both individual transactions and the total amount of sensitive expenditure.

Even when sensitive expenditure decisions can be justified at the item level, the combined amount spent on a category of expenditure may be such that, when viewed in total, WDC could be criticised for extravagance and waste.

2.3 Responsibility of the Mayor, Councillors and Executive Team Leaders

Overall responsibility for this policy rests with the Mayor, Councillors and Executive Leadership Team (ELT). This group must make it clear to staff what is and is not 'acceptable' sensitive expenditure and model those behaviours to the highest standard.

2.4 Controls and Judgement

In the absence of a specific rule for a given situation, the Mayor, Councillors and ELT are expected to exercise good judgement by taking the principles in this policy into account in the context of the given situation.

The Mayor, Councillors and ELT are required to ensure transparency in both sensitive expenditure and remuneration systems, to avoid any trade-off between the two. Items of expenditure that may not be justified under the principles of this policy should not be included as part of an employee's remuneration for the purposes of avoiding scrutiny against sensitive expenditure principles.

3. Policy

3.1 Travel and accommodation and meals expenditure

3.1.1 Elected members and employees may need to incur travel and accommodation costs while conducting Council business elsewhere in New Zealand or overseas.

3.1.2 All travel involving flights or rental cars and accommodation requires approval from the traveller's manager or for elected members, the Mayor.

3.1.3 Travel and accommodation should be booked by the business support officers using WDC approved travel consultants using the Laserfiche form. Travel should be booked well in advance unless urgent travel, to secure the most cost-effective airfares available.

3.1.4 Accommodation should be moderate, cost effective and appropriate to requirements, taking into account location, standard, safety and security, and preferably have a charge back facility for meals (not including Alcohol). Persons are encouraged to use this facility. Meals are required to be reasonable. Council will not reimburse any purchase of alcoholic beverages.

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3.9.2 To preserve impartiality and integrity, it is expected that staff making procurement decisions would not personally receive any loyalty rewards as a result of those decisions.

3.9.3 Where rewards accrued from Council business in any one financial year equate to a value of less than \$100, the points may be retained by the individual.

3.9.4 Where rewards accrued in any one financial year equate to a value in excess of \$100, the points in excess of \$100 may be retained by Council.

3.9.5 Staff should keep a record of loyalty rewards accrued and supply Council with the record.

3.10 Private use of Council assets

3.10.1 Council assets, including photocopiers, stationery, telephones, mobile phones and internet access, should not generally be used for private use unless permitted by relevant policy.

3.10.2 Refer to the ICT Acceptable use policy for what is considered acceptable use.

3.10.3 Where an employee is provided with equipment to be housed at their place of residence to assist Business Continuity reasonable personal use is permitted.

3.11 Council use of personal assets

3.11.1 Refer to the ICT Acceptable use policy for what is considered acceptable use of ICT assets.

3.11.2 From time to time Council employees may need to use a private motor vehicle for business travel. The travel must be approved by the immediate manager and will be reimbursed through the purchase order system at the current IRD mileage rate.

3.12 Personal use of Council suppliers

3.12.1 Managers are responsible for ensuring that the selection of suppliers is in Council's interests and is not affected by purchasing privileges available to staff.

3.12.2 Access to staff preferential purchases from suppliers is subject to:

3.12.2.1 Use of such privileges being moderate.

3.12.2.2 Personal purchases not being made on behalf of third parties (such as family members, friends).

3.12.2.3 Payment being made in full at time of purchase by the staff member to the supplier.

3.12.2.4 Council not being used as a source of credit.

3.12.2.5 Staff time should not be used to procure goods and/or services for an employee's personal benefit.

3.12.2.6 Value and quantity limits being set where appropriate.

3.12.2.7 Finance department monitoring staff purchases to avoid risks to future procurement decisions.

4. Reporting

Documentation and receipts are required for all sensitive expenditure with appropriate approvals where required and will be used for both internal purposes and external audit review.

Reimbursements must be made through payroll using the employee reimbursement procedure Laserfiche form.

5. Breach of this policy

Investigation and disciplinary action may result from any breaches of this policy.

Serious breaches that may constitute an instant of fraud could result in investigation by external agencies.

6. Related Documents and Acts

The following Westland District Council documents relate to this policy:

- Staff Code of Conduct
- Elected Members Code of Conduct
- Fraud Policy and Framework
- Protected Disclosures (Protection of Whistleblowers) Policy
- Safe Driving Policy
- Delegations Manual
- Gifts and Hospitality Policy
- ICT Acceptable Use Policy
- Conflict of Interest Policy
- Procurement Policy

The following Legislation relates to this policy:

- Local Government Act 2002
- Local Authority (Members' Interests) Act 1968
- Controller and Auditor-General's publication, Controlling sensitive expenditure: Guidelines for public entities

Note: Any legislation referred to should be interpreted as meaning the Act and its amendments

Staff are also referred to:

- Employment Agreements

7. Policy Review

A review of this policy will take place in MONTH YEAR.

Created:	March 2024	Date for review:	March 2027
Author:	GMCS & RA	Authorised by:	<u>Exec Team</u> <u>18.03.2024</u> <u>Council 26 June</u> <u>2025</u>
Consulted on:		Version	<u>V43</u>

Report to Council



DATE: 28 August 2025

TO: Mayor and Councillors

FROM: Group Manager District Assets

CHANGE TO RECYCLING FEES FOR COMMERCIAL USERS

1. Summary

- 1.1. The purpose of this report is to seek adoption of a new commercial recycling charge.
- 1.2. This issue arises from the need to address increasing volumes of commercial recycling deposited at the Hokitika Transfer Station by out-of-district businesses, which has led to increased costs for ratepayers and is inconsistent with practices in neighbouring districts.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2024, which are set out in the Enhanced Annual Plan 2024/2025. Refer page 2 of the agenda.
- 1.4. This report concludes by recommending that Council adopt a new commercial recycling charge.

2. Background

- 2.1 The reason the report has come before the Council is due to the introduction of a new contract for waste and recycling services commencing on 1 July 2025, resulting in increased handling, sorting, and disposal costs for recyclable materials.
- 2.2 Under s4 of the Local Government (Rating) Act 2002, Council may amend fees and charges outside the Long Term Plan and Annual Plan process due to changes in business circumstances. This report outlines the context of the change and seeks formal support for the new commercial recycling fee.

3. Current Situation

- 3.1. Currently, there is no charge in place for commercial quantities of recycling disposed of at the Hokitika Transfer Station, for Cardboard, Paper, Sorted Glass, and Plastics.
- 3.2. This has led to an increase in out-of-district businesses bringing recycling to Westland District to avoid fees charged in their own regions. As a result, local ratepayers have been subsidising the cost of processing this material.

4. Options

- 4.1. Option 1: Adopt the commercial recycling charge.

4.2. Option 2: Do not adopt the commercial recycling charge.

5. Risk Analysis

5.1. Risk has been considered and the following risks have been identified:

- Strategic Risk: Inconsistent pricing compared to neighbouring districts undermines the Council's broader waste management strategy and regional priorities.
- Financial Risk: Continued subsidisation by ratepayers for commercial operators, especially those outside of our district.
- Operational: Increased volumes of recycles from outside the district could lead to higher operational costs.
- Reputational Risk: Potential dissatisfaction from commercial users now subject to a fee.

6. Health and Safety

6.1. Health and Safety has been considered and no items have been identified.

7. Significance and Engagement

7.1. The level of significance has been assessed as being low.

7.1.1.No public consultation is considered necessary.

7.1.2.Customers have been notified of the fee change in advance via public notices and direct communication, with implementation beginning on 1 September 2025.

8. Assessment of Options (including Financial Considerations)

8.1. Option 1 – Adopt the commercial recycling charge

This option reduces the financial burden on local ratepayers by ensuring commercial operators contribute to processing costs and discourages the transport of recycling from outside the Westland District to avoid fees elsewhere. It also brings Westland District in alignment with Grey District Council, who charge \$164.50/tonne, and Buller District Council, who charge a range from \$107 - \$970/tonne. Overall, this provides better alignment with cost recovery principles for commercial waste services.

8.2. Option 2 – Do not adopt the commercial recycling charge

This option maintains the status quo for businesses currently using the service for free. It continues with the unfair subsidisation of commercial operators by local ratepayers and encourages out-of-district dumping of recycling. It is also a missed opportunity for cost recovery and regional consistency.

9. Preferred Option(s) and Reasons

9.1. The preferred option is Option 1.

9.2. The reason that Option 1 has been identified as the preferred option is that it ensures equity across users, aligns with regional practices, and reduces the cost burden on Westland ratepayers. It also responds to changes in business circumstances under the new waste services contract commencing 1 July 2025.

10. Recommendation(s)

10.1. That the report be received.

- 10.2. That Council implement the charge of \$165 (incl. GST) per tonne for commercial quantities of cardboard, paper, sorted glass, and plastics deposited at the Hokitika Transfer Station, effective from 1 September 2025.

Erle Bencich

Group Manager District Assets

Report to Council



DATE: 28 August 2025

TO: Mayor and Councillors

FROM: Chief Executive

CONTINUATION OF HOKITIKA RATING DISTRICT JOINT COMMITTEE AND FRANZ JOSEF/WAIAU RATING DISTRICT JOINT COMMITTEE

1. Summary

- 1.1. The purpose of this report is to provide for the continuation of the Hokitika Rating District Joint Committee and the Franz Josef/Waiau Rating District Joint Committee following the 2025 triennial election. Without a resolution to this effect, these Joint Committees would be automatically discharged following the election in October 2025.
- 1.2. This issue arises because the Council needs to make a decision on whether or not to discharge the two Joint Committees mentioned in this report.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2024, which are set out in the Enhanced Annual Plan 2024/2025. Refer Page 2 of the agenda.
- 1.4. This report concludes by recommending that Council not discharge the Hokitika Rating District Joint Committee and the Franz Josef/Waiau Rating District Joint Committee.

2. Background

- 2.1. The reason the report has come before the Council is due to the local elections, which cause the end of the current Triennium. This means that all committees and subcommittees are discharged when the newly elected members come into office following the triennial election. Council can resolve that a committee is not to be discharged following the election.
- 2.2 [Clause 30\(7\) of Schedule 7 to the LGA](#) states that:
"A committee, subcommittee, or other subordinate decision-making body is, unless the local authority resolves otherwise, deemed to be discharged on the coming into office of the members of the local authority elected or appointed at, or following, the triennial general election of members next after the appointment of the committee, subcommittee, or other subordinate decision-making body."
- 2.3 Over 2021- 2022 the Council has worked with the West Coast Regional Council on the establishment of the Franz Josef Rating District Joint Committee. The Franz Josef Joint Agreement is relatively recent, signed by all parties in June/July 2022. A copy of the agreement is attached as **Appendix 2**.
- 2.4 The Hokitika Rating District Joint Committee was formed through an Agreement between the West Coast Regional Council and Westland District Council dated December 2017 between West Coast Regional Council

and Westland District Council. A copy of the agreement is attached as **Appendix 1**. This committee is involved in important and ongoing areas of work in relation to Hokitika flood protection measures. Many of the areas of focus are time-sensitive.

3. Current Situation

- 3.1. The current situation is that Council has representation on two Joint Committees, being the Hokitika Rating District Joint Committee and the Franz Josef/Waiau Rating District Joint Committee.
- 3.2. In accordance with this clause, the Council can resolve not to discharge a committee following the election. If there is no such resolution, then both of these committees are deemed discharged and would have to be fully reconstituted following the election.
- 3.3. The Joint Committees were formed to deal with important hazard and flood protection matters, which often require time-sensitive decisions. It is considered that the work to be done by each committee will need to continue beyond the election date.
- 3.4. The Agreement to form the Franz Josef Rating District Joint Committee and provide it with the specified delegations and processes was adopted by both Councils in 2022. If Council resolves that the Committee remain in place, the next steps are to make appointments to the committee as per the agreement in **Appendix 2**. This would be done after the election period concluded.
- 3.5. The Hokitika Rating District Joint Committee deals with important matters that are ongoing and may be time sensitive. It is considered that this work will need to continue beyond the election date, and it would therefore be prudent for Council to resolve that this committee continues to operate under the terms of the existing Agreement and delegations that have been previously agreed between the Councils following the election. Each Council would simply then need to appoint members to the Joint Committee following the election. Staff propose that the Westland District Council members are appointed after the inaugural meeting of the new Council, scheduled for 23 October 2025 (or the November Ordinary Council meeting). It is usual to appoint the two Westland constituency members and the Mayor to this committee. It is also recommended that the existing Franz Josef/Waiau Rating District Joint Committee community representatives be reappointed to the committee rather than undertake a new nomination process. There are currently 8 community representatives.
- 3.6. As these are Joint Committees, staff have undertaken liaison with the West Coast Regional Council in relation to providing for the continuation of the committee. The West Coast Regional Council was seeking a similar resolution at the West Coast Regional Council's meeting on 2 September 2025.
- 3.7. Te Rūnanga O Ngāti Waewae and Te Rūnanga O Makaawhio are represented on the Hokitika Rating District Joint Committee, and Te Rūnanga O Makaawhio are represented on the Franz Josef/Waiau Rating District Joint Committee.

4. Options

- 4.1 Option 1: That Council receive the report and does not discharge the Hokitika Rating District Joint Committee and the Franz Josef/Waiau Rating District Joint Committee.
- 4.2 Option 2: That Council receive the report and resolve to discharge the Hokitika Rating District Joint Committee and the Franz Josef/Waiau Rating District Joint Committee.

5. Risk Analysis

- 5.1. Risk has been considered, and no risks have been identified in not discharging the committees. The Joint Committees would continue to carry out their business on the terms and delegations already approved by both the West Coast Regional Council and the Westland District Council. It is important to note, however,

that the joint committee meetings should be added to the annual work plan for Council to ensure meetings are well-advertised and dates confirmed.

6. Health and Safety

6.1. Health and Safety has been considered, and no items have been identified

7. Significance and Engagement

7.1. The level of significance has been assessed as being low and administrative in nature.

7.1.1. No public consultation is considered necessary.

8. Assessment of Options (including Financial Considerations)

8.1. **Option 1** – To receive the report and adopt the recommendations. The Joint Committees would continue to carry out their business on the terms and delegations already appointed by both the West Coast Regional Council and Westland District Council.

8.1.1. There are no additional financial implications to this option as the committees' activities are provided for in existing budgets.

8.2 **Option 2** – To receive the report and not adopt the recommendations.

8.1.2 There are no additional financial implications to this option. This would mean the committees would be disestablished and the committees be re-established in the new Triennium.

9. Preferred Options and Reasons

9.1. The preferred option is **Option 1**.

9.2. The reason that **Option 1** has been identified as the preferred option is to enable the Joint Committees to continue to carry out their business on the terms and delegations already approved by both the West Coast Regional Council and the Westland District Council.

10. Recommendations

10.1. That the report be received.

10.2. The Hokitika Rating District Joint Committee shall **not** be discharged on the coming into office of the members of the Council elected or appointed at, or following, the next triennial general election; and

10.3. That the Franz Josef/Waiau Rating District Joint Committee shall **not** be discharged on the coming into office of the members of the Council elected or appointed at, or following, the next triennial general election.

10.4. That the community representatives currently appointed to the Frans Josef Rating District Joint Committee be reappointed to the Committee following the 2025 triennial local election.

Barb Phillips
Chief Executive

Appendix 1: Hokitika Rating District Joint Committee Agreement, December 2017, Updated 2023

Appendix 2: Franz Josef/Waiau Rating District Joint Agreement, June 2022, Updated March 2024



Hokitika Rating District Joint Committee Agreement

8 December 2017
Updated May 2023

DOCUMENT CONTROL

	Date	
Primary Agreement	8 December 2017	
Amendment to include updated Rating District area and works	February 2023	Preliminary amendments drafted
	14 March 2023	Revised Agreement adopted by WCRC
	23 March 2023	Revised Agreement adopted by WDC

This Agreement is made this 8th day of December 2017, and updated on 23 March 2023.

PARTIES

WESTLAND DISTRICT COUNCIL (“WDC”)

WEST COAST REGIONAL COUNCIL (“WCRC”)

TE RŪNANGA O NGĀTI WAEWAE (“NGĀTI WAEWAE”)

TE RŪNANGA O MAKAAWHIO (“MAKAAWHIO”)

AGREEMENT

BACKGROUND

- A. The WDC is empowered by Sections 12 and 130 of the Local Government Act 2002 to manage stormwater and amenity issues within its district; and
- B. The WCRC is empowered by Section 126 of the Soil Conservation and Rivers Control Act 1941 to take such steps as are necessary for the prevention of damage by floods; and
- C. Both Councils are empowered by the Local Government (Rating) Act 2002 to raise the funds necessary to carry out their respective functions; and
- D. Both Councils are empowered by Sections 12 and 137 and clauses 30 and 30A of Schedule 7 of the Local Government Act 2002 to enter into joint agreements and form a joint committee to co-ordinate the management of overlapping functions; and
- E. Both Councils wish to record the terms of this agreement to jointly manage the maintenance of the Hokitika foreshore and river area and the sea and river protection works for the Hokitika Rating District and community.

STRUCTURE AND OPERATION OF THE COMMITTEE

- 1. WCRC shall appoint three elected Councillors to the Joint Committee, being two Councillors from the Westland constituency and the Chair of WCRC. If the Chair of WCRC is from the Westland constituency, then the third Councillor will be appointed from another constituency.
- 2. WDC shall appoint the Mayor for Westland plus two elected Councillors to the Joint Committee.
- 3. Te Rūnanga O Ngāti Waewae shall be represented on the Joint Committee by the Chair of Te Rūnanga O Ngāti Waewae or a representative delegated by the Chair.
- 4. Te Rūnanga O Makaawhio shall be represented on the Joint Committee by the Chair of Te Rūnanga O Makaawhio or a representative delegated by the Chair.

5. The committee may co-opt additional members on to the Joint Committee from time to time, as it sees fit. Any members co-opted under this clause will have full speaking rights but shall not be entitled to vote.
6. The committee shall meet and regulate the conduct of its own business as it sees fit.
7. The Chair shall be the Chairperson of the WCRC.
8. In the absence of the Chair, a Deputy Chair may be appointed by the committee to act as Chair.
9. Unless otherwise specified in this Agreement, the committee shall use the current standing orders of the WCRC, noting that the committee wishes to achieve consensus decisions wherever possible.
10. Clause 19.3 of the WCRC Standing Orders (December 2022) shall apply to this committee. This provides that, in relation to this committee, the chairperson, or any other person presiding at a meeting, has a deliberative vote and, in the case of an equality of votes, has a casting vote.
11. A quorum of the committee shall be not less than four members and must include one or more members from each of the two Councils (one or more from WCRC and one or more from WDC). Attendance of non-voting members co-opted under clause 5 of this Agreement shall not count towards a quorum.
12. Meetings shall be held bi-annually (twice a year) or as otherwise agreed by the committee.
13. WCRC shall act as secretariat.
14. Notification of meetings and the publication of agendas and reports shall be conducted in accordance with the requirements of Part 7 of the Local Government Official Information and Meetings Act 1987, and will be undertaken by the secretariat.
15. Minutes of all Joint Committee meetings shall be provided to the next meeting of the respective Councils.

TERMS OF REFERENCE AND DELEGATIONS

16. Each year the committee shall ascertain what the work and budget requirements will be for the coming year and make a recommendation to each parent Council for annual planning and action.
17. The committee shall not have any funding or rate setting authority. Such decisions shall be the responsibility of the two parent Councils.
18. The committee's role is to review the annual work plan provided to it by the WCRC and WDC, receive and consider any independent expert advice, and make informed recommendations to the respective Councils for the final decision. The committee may also make recommendations to the Councils regarding:
 - Commissioning independent expert reports; and

- Undertaking public consultation on boundary changes, major capital works and other areas of significant public interest.

Both Councils will consider any recommendations of the committee in making any decisions on the above.

19. Without limiting the ability of the committee to recommend the most appropriate arrangements for works and funding, the WDC shall be responsible for all works and funding relating to:
 - Amenity management, including grass sowing and mowing, any gardening, beautification, and public access management;
 - Management and maintenance of WDC assets;
 - Stormwater management in the normal course of business, including maintenance of drain pipes and their operation.
20. Without limiting the ability of the committee to recommend the most appropriate arrangements for works and funding, the WCRC shall be responsible for all works and funding relating to:
 - The maintenance and repair of the structural integrity of flood protection assets and structures managed under WCRC Asset Management Plans;
 - The provision of flood warning advice for CDEM activities for the Hokitika River;
 - Ownership of the floodwalls as identified in WCRC Asset Management Plans;
 - Ensuring resource consent conditions held by WCRC are given effect to.
21. WCRC agrees to consult with WDC prior to any works being undertaken to upgrade or modify the Hokitika Seawall and Hokitika River protection works that impact WDC infrastructure.
22. The WCRC has constituted a Hokitika Rating District and reserves the right to raise such funds as it may need to carry out its functions under clause 20 above from this source.
23. The WDC will fund the performance of its functions under clause 19 above from such sources that are available that it may determine.

VARIATION OF THIS AGREEMENT

24. This agreement may be amended at any time, on request by either Council, but such amendments will only take effect once both parent Councils have formally received and adopted those changes sought.

SIGNATURES

SIGNED by

WESTLAND DISTRICT COUNCIL

by its authorised signatory

MAYOR

Name/designation

20 SEPTEMBER 2024

date

WEST COAST REGIONAL COUNCIL


by its authorised signatory

Chairman

Name/designation

19 September 2024

date

TE RŪNANGA O NGĀTI WAEWAE

by its authorised signatory

Chairman

Name/designation

17 January 2025

date

TE RŪNANGA O MAKAAWHIO

by its authorised signatory

Chairman

Name/designation

1 October 2024

date



Franz Josef Rating District Joint Committee Agreement

June 2022

Updated March 2024

DOCUMENT CONTROL

Reason for Submission	Revision Number	Revision Date	Approval
New Document		1 July 2021	
Version 1 - draft		November 2021	Initial review by West Coast Regional Council and Westland District Council
		December 2021	Review by Department of Conservation and Waka Kotahi
	Final	14 December 2021	Adoption by West Coast Regional Council
	Final	24 March 2022	Adoption by Westland District Council
Version 2	2	February 2024	Revision drafted to amend membership and quorum, and other minor amendments (version2)
		28 March 2024	Adoption of Version 2 by West Coast Regional Council
		28 March 2024	Adoption of Version 2 by Westland District Council
		6 May 2024	Insertion of Practice Note regarding distribution of agendas

This Deed is made this **26th** day of **July 2022**

Updated **28 March 2024**

PARTIES

WESTLAND DISTRICT COUNCIL (“WDC”)

WEST COAST REGIONAL COUNCIL (“WCRC”)

TE RŪNANGA O MAKAAWHIO (“MAKAAWHIO”)

NEW ZEALAND TRANSPORT AGENCY (“WAKA KOTAHI”)

DIRECTOR-GENERAL OF CONSERVATION (“DOC”)

AGREEMENT

BACKGROUND

- A. The WDC is empowered by Sections 12 and 130 of the Local Government Act 2002 to manage stormwater and amenity issues within its district; and
- B. The WCRC is empowered by Section 126 of the Soil Conservation and Rivers Control Act 1941 to take such steps as are necessary for the prevention of damage by floods; and
- C. Both Councils are empowered by the Local Government (Rating) Act 2002 to raise the funds necessary to carry out their respective functions; and
- D. Both Councils are empowered by Sections 12 and 137 and clauses 30 and 30A of Schedule 7 of the Local Government Act 2002 to enter into joint agreements and form a joint committee to co-ordinate the management of overlapping functions; and
- E. Any Franz Josef flood protection structure built as a result of this agreement will be owned by the WCRC. The land the flood defence assets are on is under various ownership; and
- F. Both Councils wish to record their agreement to jointly manage the maintenance of the Franz Josef flood defence assets, via a Joint Committee of the two Councils, Makaawhio, Waka Kotahi, DOC and community members.

STRUCTURE AND OPERATION OF THE COMMITTEE

- 1. The Joint Committee shall be formed initially, with its membership reappointed at or after the first meeting of WCRC and WDC following each triennial general election.
- 2. WCRC shall appoint three elected Councillors to the Joint Committee, being two Councillors from the Westland constituency (or a delegate) and the Chair of WCRC. If the Chair of WCRC is from the

Westland constituency, then the third Councillor will be appointed from another constituency.

3. WDC shall appoint the Mayor for Westland, plus the two elected South Westland Councillors (or a delegate) to the Joint Committee.
4. Makaawhio shall be represented on the Joint Committee by the Chair of Te Rūnanga O Makaawhio or a representative delegated by the Chair.
5. Waka Kotahi will appoint a member to the Joint Committee.
6. The Director-General of Conservation will appoint a member to the Joint Committee.
7. Eight community members from the rating district, to be made up of four representing the north side and four representing the south side of the Waiho River, will be appointed to the Joint Committee by the WCRC and WDC following a call for nominations. New community members will be appointed as vacancies arise and the term of the appointments will match the local government constituent's appointments. The nomination process shall be administered by the WCRC, in consultation with WDC.
8. In relation to DOC, membership of the Joint Committee does not:
 - affect any of its rights, powers or duties, in particular as they relate to river and flood management at Franz Josef (such as under the Resource Management Act 1991); or
 - bind it to any funding commitments or decisions relating to transfer of assets.
9. The Chair shall alternate one year to the next being a WDC elected representative one year and a WCRC elected representative the next, with the term of the chairpersonship being 12 months from 31 October each year except in years where the triennial election is held, where the term ends at the date of the election. The appointment of the Chair shall be made by the relevant Council who has responsibility for the Chair.
10. The function of the secretariat will alternate as per the term of chairpersonship.
11. The Council not exercising the role of Chair in any year shall appoint a Deputy Chair. The term of the deputy chairpersonship shall be 12 months from 31 October each year except in years where the triennial election is held, where the term ends at the date of the election.
12. Unless otherwise specified in this Agreement, the Committee shall use the current standing orders of the WCRC, noting that the committee wishes to achieve consensus decisions wherever possible.
13. A quorum of the Committee shall be not less than nine members, and must include:
 - two or more members from each of the two Councils (two or more from WCRC and two or more from WDC);
 - two or more of the appointed community representatives from the rating district representing the north side of the Waiho River;
 - two or more of the appointed community representatives from the rating district representing the south side of the Waiho River;

- one or more members from the other three parties to the Agreement (New Zealand Transport Agency, Director-General of Conservation, or Te Rūnanga O Mākaawhio).

14. Meetings shall be held biannually or as otherwise agreed by the Joint Committee.

15. Notification of meetings and the publication of agendas¹ and reports shall be conducted in accordance with the requirements of Part 7 of the Local Government Official Information and Meetings Act 1987, and will be undertaken by the secretariat.

16. Minutes of all Joint Committee meetings shall be provided to the next meeting of the respective Councils.

TERMS OF REFERENCE & DELEGATIONS

17. Each year the Joint Committee shall consider any staff and/or expert reports, ascertain what work and budget requirements will be for the coming year and make a recommendation to each parent Council for annual planning and action.

18. The Committee shall not have any funding or rate setting authority.

19. WCRC as the Rating Body for the Franz Josef Rating District is the final decision maker on the annual work plan and setting the appropriate rate to fund the agreed works.

20. The Joint Committee's role is to review the annual work plan provided to it by the WCRC, receive and consider any independent expert advice, and make informed recommendations to WCRC for the final decision. The Committee may also make recommendations to the WCRC regarding:

- Commissioning independent expert reports; and
- Undertaking public consultation on boundary changes, major capital works and other areas of significant public interest.

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

21. Where Committee recommendations relate to the functions of the WDC, WDC shall consider and make decisions on any recommendations accordingly.

22. Without limiting the ability of the Joint Committee to recommend the most appropriate arrangements for works and funding, in relation to the Franz Josef flood defence assets the WDC shall be responsible for all works and funding relating to:

- Stormwater management, including any pump station operation and maintenance and floodgates on drainpipes and their operation and maintenance.

23. Without limiting the ability of the Joint Committee to recommend the most appropriate arrangements for works and funding, in relation to the Franz Josef flood defence assets the WCRC shall be responsible for all works and funding relating to:

- The maintenance and repair of the structural integrity of the flood defence assets

¹ As per the Practice Note appended to this Agreement, meeting agendas are to be distributed to members not less than 14 days prior to meetings.

- managed under WCRC Asset Management Plans;
- The provision of flood warning advice to WDC for the Waiho River; and
- Ownership of the flood defence assets as identified in WCRC Asset Management Plans.

24. The WCRC has constituted a "Franz Josef Rating District" and reserves the right to raise such funds as it may need to carry out its functions under clause 23 above from this source.
25. The WDC will fund the performance of its functions under clause 22 above from such sources that are available that it may determine.

VARIATION OF THIS AGREEMENT

26. This agreement may be amended at any time, at the request of either Council, but such amendment will only take effect once both parent Councils have formally received and adopted those changes sought.

SIGNATURES

SIGNED by

WESTLAND DISTRICT COUNCIL

by its authorised signatory

MAYOR

Name/designation

20 SEPTEMBER 2024

date

WEST COAST REGIONAL COUNCIL

by its authorised signatory

Chairman

Name/designation

19 September 2024

date

TE RŪNANGA O MAKAAWHIO

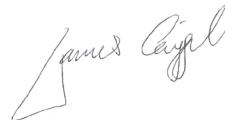
by its authorised signatory

Chairman

Name/designation

1 October 2024

date

NEW ZEALAND TRANSPORT AGENCY

by its authorised signatory

**James Caygill, Director Regional Relationships,
West Coast/Canterbury/Otago/Southland**

Name/designation

03/02/2025

date

DIRECTOR-GENERAL OF CONSERVATION

by its authorised signatory

Owen Kilgour - Director Operations Western South Island Region

Name/designation

23 January 2025

date

PRACTICE NOTE:

Distribution of Agendas for Joint Committee meetings

Each meeting agenda for any Joint Committee meeting shall be distributed to members not less than 14 days prior to the meeting.