



Te Kahui o Poutini Westland District Council

PRE-ELECTION REPORT 2025



Contents

Message from the Chief Executive.....	4
Introduction	5
Why Stand for Council?.....	5
About Westland District.....	6
District data Trends and Council Responses	7
Population	7
Employment and Business	8
Tourism	10
Environment.....	11
Housing and affordability.....	12
Council's Strategic Direction	13
Community Issues and Council Responses	13
1. Aging Infrastructure	13
2. Rates Affordability	13
3. Tourism Infrastructure Pressure	13
4. Climate Change and Natural Hazards	13
5. Changing Legislation	14
Current reforms	14
Local Water Done Well	14
Resource Management Act Reforms	14
Local Government reform programme.....	15
Council Achievements (2021–2024)	16
Looking Ahead: Priorities for the Next Council.....	16
Long-Term Financial Trends	17
Major Projects.....	18
Land Transport.....	18
Drinking Water	18
Stormwater	19
Wastewater.....	19
Other activities.....	19
Financial Strategy.....	20
Operating expenditure.....	20
Capital Expenditure.....	20
Planned Debt.....	20
Compliance with limits in the Financial Strategy	21
Financial Summary	22
Funding Impact Statement	22
Statement of Financial Position	23

Sources.....	24
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Message from the Chief Executive

As Chief Executive of Westland District Council, I would like to acknowledge the upcoming local government elections in October 2025 and highlight the important role they play in shaping the future of our district.

Local elections are the opportunity for communities to have a direct say in who represents their community at the council table. The decisions made by our elected members impact everything from infrastructure and local roads to parks, community services, environmental management and the future growth of our towns and district.

This document outlines the information that anyone who is considering standing as an elected member for the Westland District Council needs to know. The report sets out an overview of the Westland District. The Council's major capital projects for this term, financial and strategic position, along with the opportunities and challenges we anticipate and how Council intends to address them.

The role of an elected member is not always easy. There are many competing priorities and differences of opinion about what the community needs and what they want versus what the community can afford. We know that many in our community are concerned about the rising costs of living, including recent rate increases. Like many councils across the country, Westland faces significant challenges in delivering services and essential infrastructure within tight financial constraints. Inflationary pressures, increasing regulatory requirements and aging infrastructure all contribute to a difficult balance between affordability and investment in our district's future. Westland District Council has a good track record of applying for and receiving funding from external sources to assist us to do more for the community than just the day-to-day basics.

Thank you for being willing to take an interest in serving the people of the Westland District and helping us to build a strong, prosperous, resilient community – grounded in community, guided by good governance.

Ngā mihi nui,



Barb Phillips
Chief Executive, Westland District Council

Introduction

A Pre-election report is a mandatory document prepared and released by the Chief Executive in accordance with the Local Government Act 2002.

This document helps prospective candidates and residents understand the strategic, financial, and social context in which the Westland District Council operates. It aims to encourage informed public debate and inspire capable individuals to stand for election in a time of transformation and opportunity.

This document outlines the key issues for Council over the coming years and provides the forecast financial position for the incoming Council.

The Westland District has an ordinarily resident population of fewer than 20,000 people. This report is prepared in accordance with Clauses 37 and 36(1)(b) and (c) of Schedule 10 LGA 2002.*

This is not an audited document, however some of the information has been audited through the 2022/2023 and 2023/2024 Annual Report and 2025 – 2034 Long Term Plan processes. Summaries of the information in these documents is contained in this pre-election report. The pre-election report should be read in conjunction with the full documents that are available on our [website](#).

Information for 2024/2025 is drawn from the Enhanced Annual Plan adopted on 24 June 2024. This information was not required to be audited and has not been audited. It updates the 2024/2025 estimates from the Long Term Plan 2021 – 2031.

Forecast information for the 2025/2026 to 2028/2029 years has been sourced from the Long Term Plan 2025 – 2034 (2025 LTP). The audited Long Term Plan was adopted on 26 June 2025.

The 2024/2025 Annual Report, containing actual financial information for the year 1 July 2024 – 30 June 2025 is being prepared and will be audited and is expected to be adopted by Council before 31 October 2025. This report will not be available until after the election.

This Pre-election report also discusses current environment the Council is operating in and the Council's response to the issues and challenges. Local Government is undergoing rapid change and reform; information about the current reforms and the potential effect on the Westland District is included.

Major projects that Council is currently undertaking or has planned for the next three years are also included.

*The Act requires only a summary Balance Sheet to be presented, however in the interests of full disclosure a complete Prospective Statement of Financial Position is included in this report

Why Stand for Council?

- To represent the voices of small, rural, and tourism-dependent communities.
- To balance regulatory compliance, local democracy, and financial sustainability.
- To work in partnership with iwi and community organisations to protect taonga and heritage, promote cultural tourism, and deliver inclusive wellbeing.

Council decisions directly shape the lives of Westland's residents—from water quality and flood protection to recreation, transport, and wellbeing. The Council plays a significant role in the essential services and facilities for the communities spread across our District.

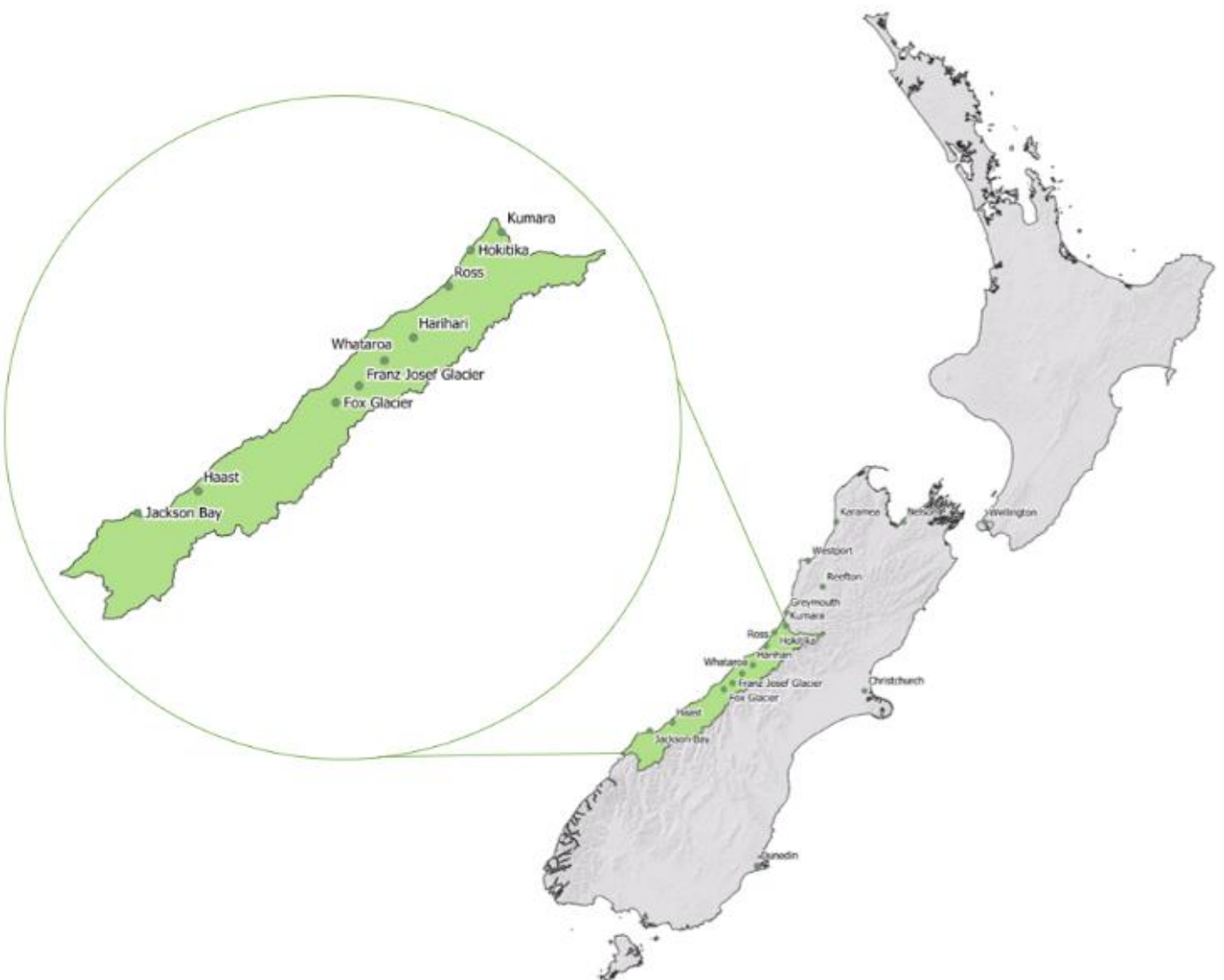
About Westland District

The Westland District is approximately 450 km in length with a population of 8,901 people (2023 census). Westland is one of the most sparsely populated parts of New Zealand, with an area of 1,186,272 hectares, and a very small population base. Approximately 37% of the population (3,267) lives in Hokitika. The remaining 63% live in small villages and rural areas such as Otira, Ross, Harihari, Whataroa, Franz Josef/Waiau, Fox Glacier and Haast. Industry in the district has increasingly focussed on the outdoors and outdoor recreation tourism (87% of the land area is DOC land), alongside the traditional industries of dairy farming, mining and other enterprises.

Westland District Council faces a pivotal decade. It must renew aging assets, prepare for climate change, fund services from a small ratepayer base, and respond to national reforms—while ensuring its natural and cultural heritage is protected.

This is a critical time for capable, community-minded candidates to step forward. The next Council will help shape Westland’s resilience, growth, and identity for generations.

Whether you're motivated by climate adaptation, housing, youth wellbeing, rural equity, or infrastructure planning—your leadership can help steer the district through change.

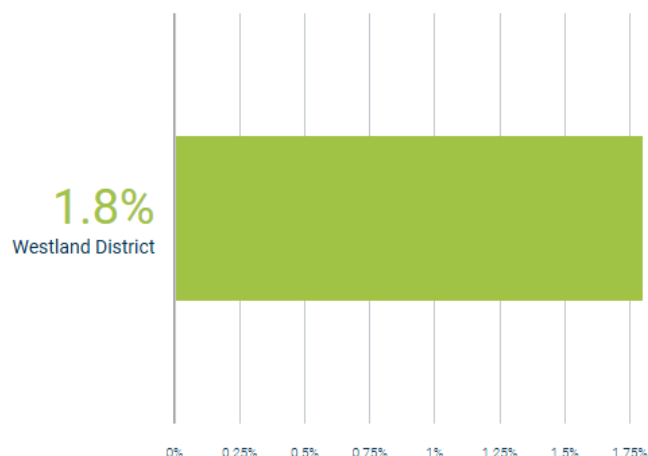


District data trends and Council responses

Population

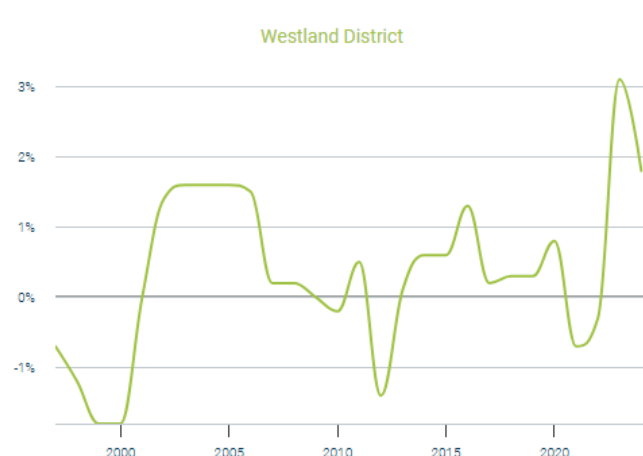
Population growth, 2024

Annual % change, year to 30 June 2024



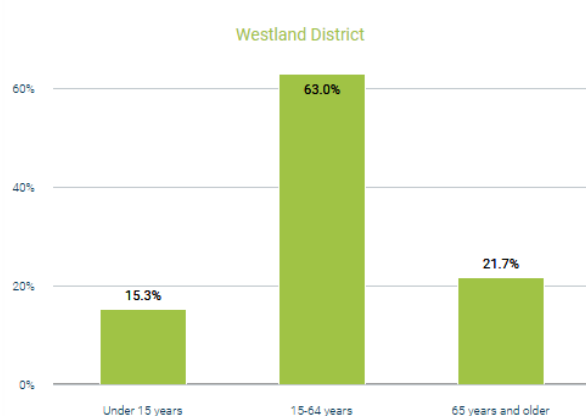
Population growth

Annual % change, June years



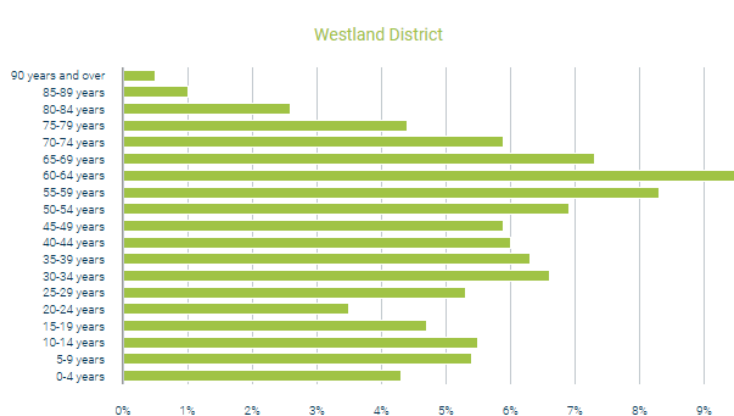
Population by broad age group, 2024

% of total, as at 30 June



Population by 5-year age group, 2024

% of total, as at 30 June

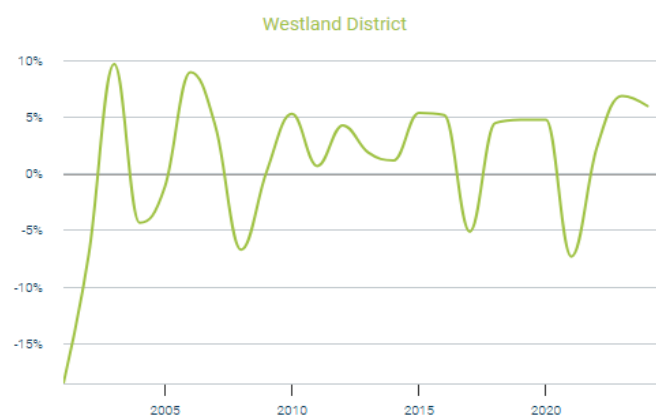


- Growth is low (averaging 0.9%pa over the 5 years to 2024) with aging demographics. Median age is projected to reach 52.2 by 2048.
- Slow growth and aging population inform asset renewal pacing and community service design (e.g., age-friendly spaces, safer footpaths).
- Council must plan for smaller households, increased accessibility, and retirement-age infrastructure.

Employment and Business

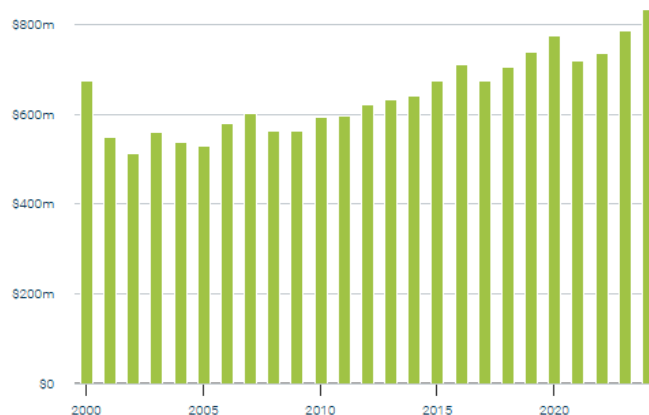
Gross domestic product growth

Annual % change, March years



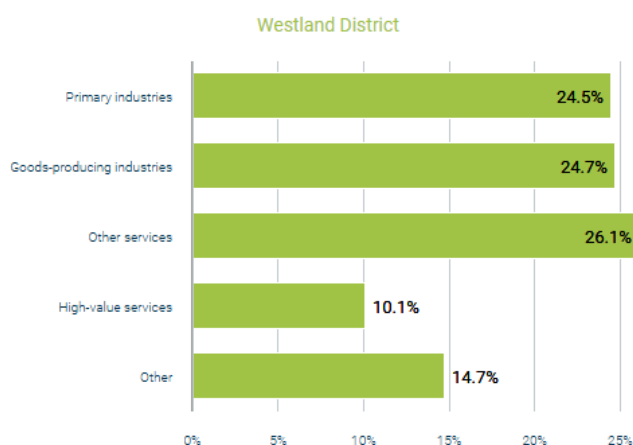
Gross domestic product

Annual level, March years, 2024 prices



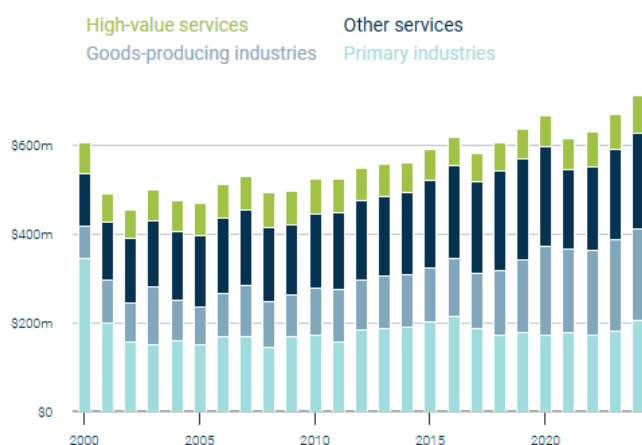
Economic structure by broad sector, 2024

% of total, year to March 2024



Economic structure by broad sector

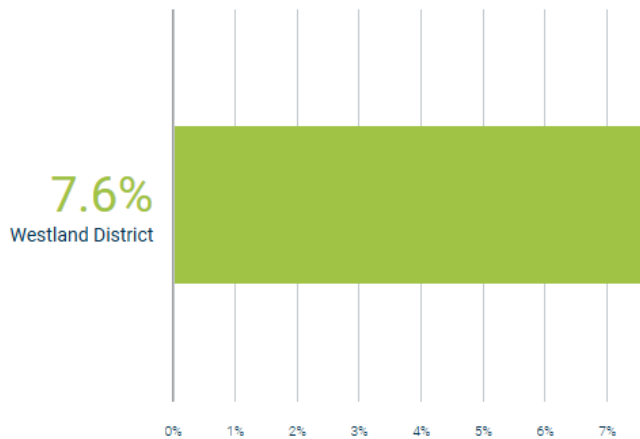
March years, 2024 prices



- Tourism and agriculture dominate.
- Resource consents and support for small businesses align with the rise in business unit numbers (+2.4% in 2023).
- Council supports diversification via enterprise hubs, broadband, zoning, and youth development.

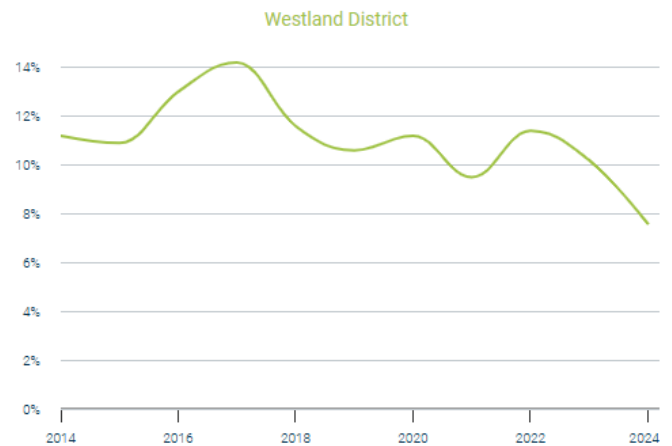
NEET rate, 2024

% of people aged 15-24 not in employment, education or training, year to Mar 2024



NEET rate

% of people aged 15-24 not in employment, education or training, March years



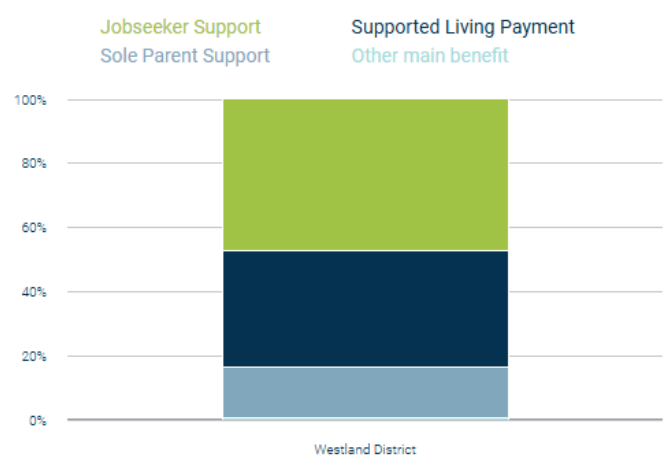
Total beneficiaries

Average number of persons, annual level, March years



Main benefit recipient by type of benefit, 2024

% of total beneficiaries, year to March 2024



- Support for job initiatives like the Mayor's Taskforce aligns with efforts to reduce the youth NEET rate and increase participation.
- Since 2010, the number of people on beneficiary support reached a maximum of 578 in 2024 and a minimum of 419 in 2018.

Tourism

Total tourism expenditure growth

Annual % change, March years

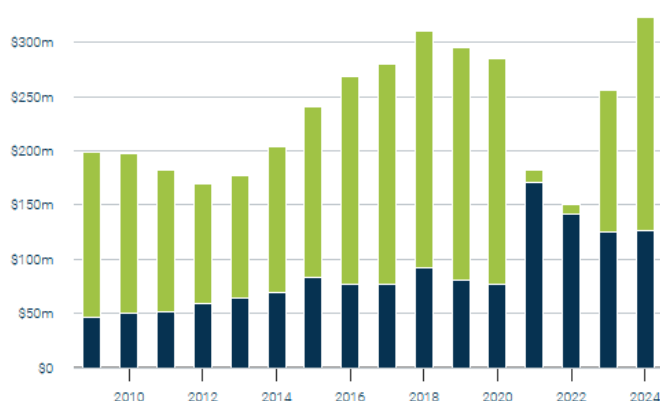
Westland District



Composition of tourism expenditure

March years, current prices

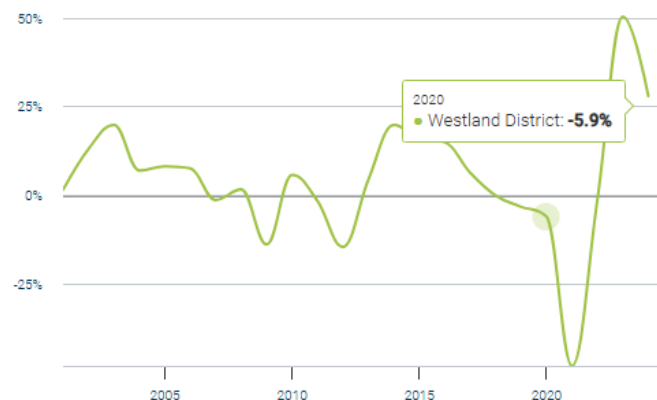
International Domestic



Tourism GDP growth

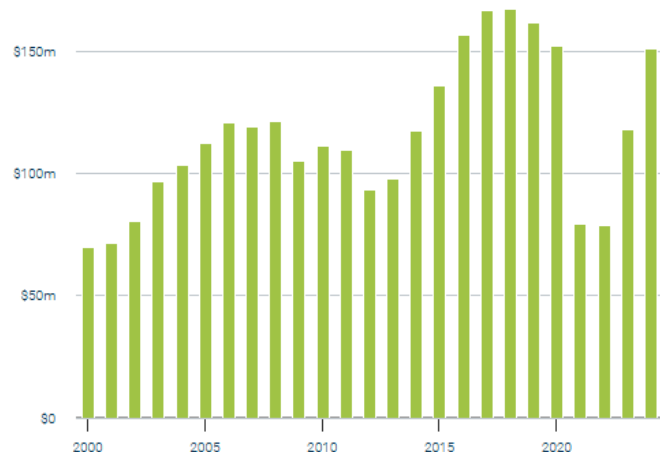
Annual % change, March years

Westland District



Tourism GDP

March years, 2024 prices

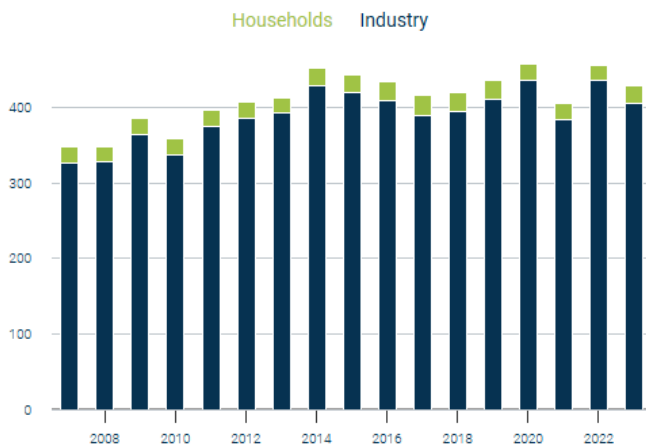


- Expenditure and tourism GDP have grown steadily since 2022. Council investment in the West Coast Wilderness Trail and community promotion supports this trend.
- The tourism sector contributed \$151.4m towards GDP in Westland District in 2024. This amounted to 18.2% of Westland District's economic output in 2024 as compared to 10.4% in 2000.
- In Westland District tourists spent a total of \$323.8m in 2024. Spending was up by 26.4% compared with the previous year.
- Growth in the tourism sector in Westland District has averaged 4.9% since 2000.

Environment

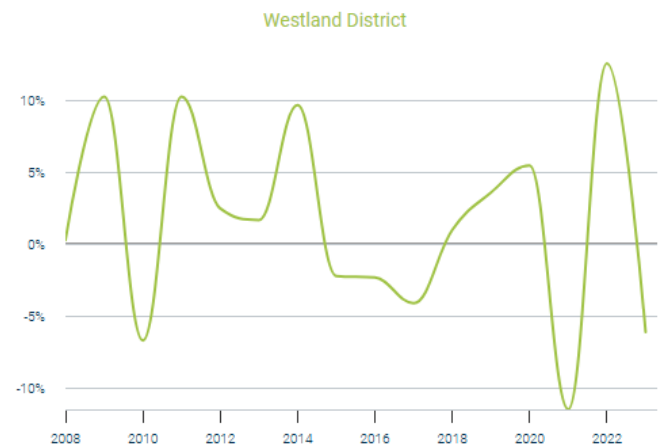
Composition of greenhouse gas emissions

December years, kilotonnes CO₂-e



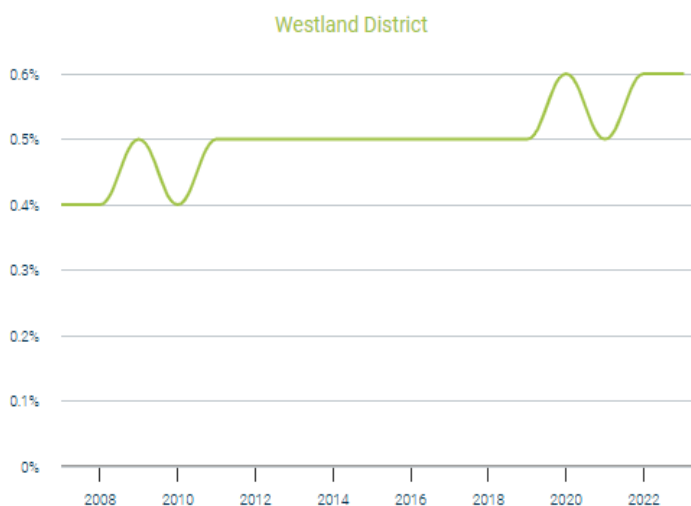
Total greenhouse gas emission growth

Annual % change, December years



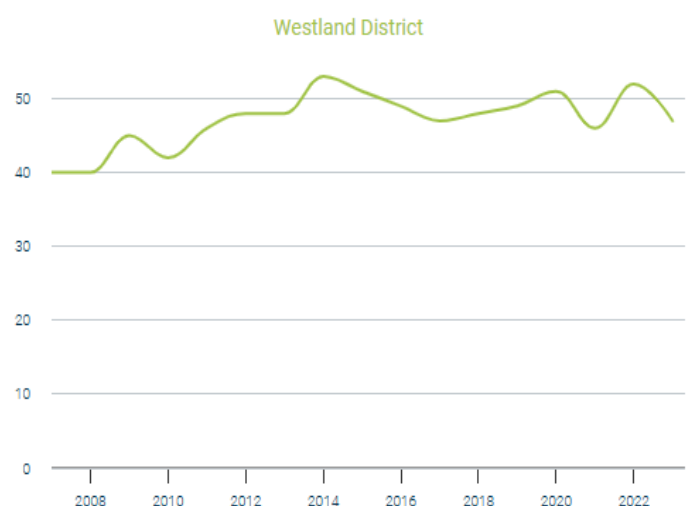
Share of New Zealand total greenhouse gas emissions

% of NZ, December years



Total greenhouse gas emissions per capita

Tonnes CO₂-e, December years



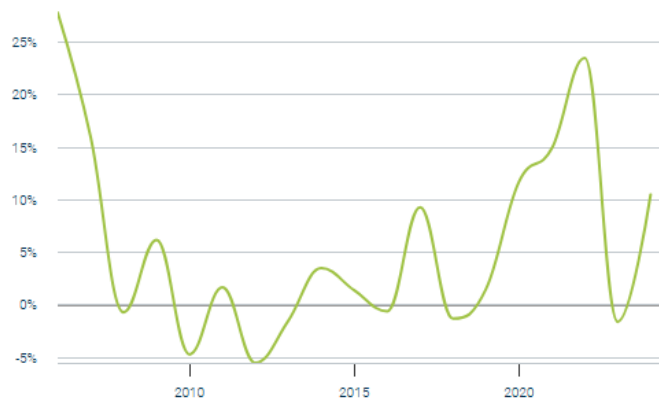
- Greenhouse Gas emissions per capita (39.8 tCO₂e) are high, reflecting agricultural emissions and long travel distances.
- Council's climate actions include:
 - Emission reductions through asset design.
 - Improving waste diversion (e.g. kerbside glass collection implemented in 2025).
 - Nature-based flood management and land use controls.
- Future projects will aim to reduce Council's own carbon footprint and support land-use planning that mitigates environmental impact.

Housing and affordability

Average house value growth

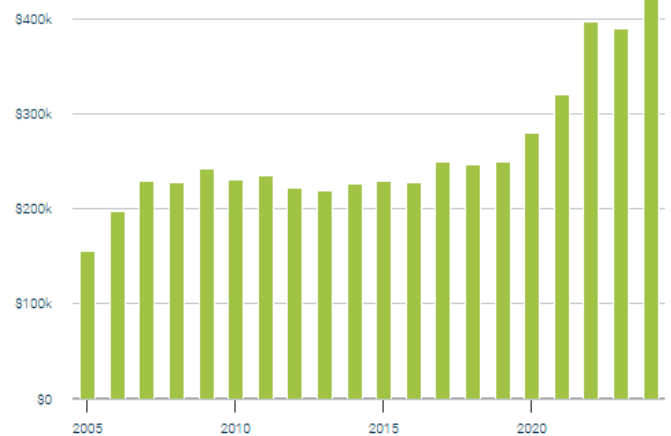
Annual % change, March years

Westland District



Average house value

March years, current prices



- Lower house prices attract new residents, but limited rentals restrict population growth.
- Council's land development, regulatory updates, and infrastructure planning support future supply. The Council is promoting infill development and has flagged land availability for housing through District Plan revisions.
- Infrastructure upgrades (wastewater, stormwater) enable future housing supply.

Council's Strategic Direction

WDC's strategic framework is built on five Community Wellbeing Outcomes, which guide decision-making and resource allocation:

1. Sustainable Environment – Mitigating human impact and enhancing biodiversity.
2. Diverse Economy – Supporting business innovation and traditional industries.
3. Embracing Culture – Building community inclusion, iwi partnerships, and civic pride.
4. Live and Play – Developing social infrastructure and public spaces for wellbeing.
5. Resilient Infrastructure – Planning for natural hazards, aging assets, and growth.

This strategic direction is consistent across the 2021 LTP and the 2025 LTP and aligns with future-focused governance.

Community Issues and Council Responses

Aging Infrastructure

Many of Westland's core assets—such as water pipes, wastewater treatment plants, stormwater systems, bridges, and roads—are operating beyond their intended design lives. Historic underinvestment, combined with natural hazard risks and regulatory changes, has created a significant backlog of renewals. Council's 2025 Infrastructure Strategy identifies that approximately 50% of three waters assets will need replacement in the next 30 years. To respond, Council is now applying a more mature, data-driven asset management approach, prioritising critical and at-risk infrastructure for staged upgrades. Major planned projects include the Hokitika Wastewater Treatment Plant replacement, reticulation renewals, and stormwater system improvements in flood-prone areas.

Rates Affordability

With only about 6,500 rateable properties and rising compliance costs, the burden on individual ratepayers is growing. Affordability is a major issue in Westland, where incomes are lower than the national average and the rural population is dispersed. The 2025 LTP increases the annual rates cap from 5% to 7%, recognising inflationary and compliance pressures while seeking to minimise the impact on households. Council is actively pursuing external funding (such as the Better Off Fund and Waka Kotahi co-investment) and using financial tools like prefunding loans to reduce the pressure. Transparency about long-term financial challenges is now a feature of Council's planning, allowing for better forecasting and community engagement.

Tourism Infrastructure Pressure

Westland welcomes hundreds of thousands of visitors annually; far more than its resident population. Tourist demand drives pressure on public toilets, carparks, roads, water supplies, and waste facilities, especially in South Westland settlements like Fox Glacier and Franz Josef. This pressure is particularly acute given the limited revenue base available to fund infrastructure used by non-residents. Council has invested in tourism-supporting projects such as the cycle trail and service capacity in visitor hotspots. Partnerships with iwi and central government have helped deliver some of these improvements, while Council is also reviewing how to sustainably fund and promote tourism in the long term.

Climate Change and Natural Hazards

The district is one of the most hazard-prone in the country. Franz Josef township sits on the Alpine Fault and in a major floodplain, while coastal roads and infrastructure are increasingly exposed to erosion and storm surge. Climate change is exacerbating risks through more frequent intense rainfall events and rising sea levels. The 2025 Infrastructure Strategy outlines a shift from reactive to proactive planning, including futureproofing designs and improved resilience

measures. Council has also invested in emergency response tools such as Starlink satellite units and community response kits, supporting preparedness in isolated areas.

Changing Legislation

National reforms in drinking water regulation (Taumata Arowai), solid waste (Te Rautaki Para), and land transport planning are reshaping the responsibilities and funding mechanisms for local authorities. Implementing standardised kerbside waste collection by 2027 will require new infrastructure and contractual arrangements. In transport, funding constraints from Waka Kotahi (e.g., reductions in funding classes) are forcing reprioritisation within the district's roading network. These policy changes demand both adaptability and strategic planning from elected members.

Current reforms

The statutory landscape of Local Government is constantly evolving. These reforms will affect how Councils operate in the next triennium.

Local Water Done Well

Local Water Done Well introduces changes to how water services are managed in the future. There are new rules for investment, borrowing and pricing, and new options for delivering water services. Local Water Done Well requires councils to choose a water services delivery model that will best meet their community's needs, provided it also meets financial sustainability and compliance standards.

Water Services Delivery Plans are required under the Local Government (Water Services Preliminary Arrangements) Act to be adopted by the Council by 3 September 2025. These plans are a 'one-off' way for councils to consider their current approach to the delivery of drinking water, wastewater and stormwater services and demonstrate their commitment to a future model that is financially sustainable and meets quality standards.

Water Services Delivery Plans:

- Must include detailed information about water services operations, assets, revenue, expenditure, pricing, future capital expenditure, and how councils plan to finance and deliver their preferred delivery model.
- Are for a minimum 10-year timeframe but can be up to 30 years. The first three years must be detailed.
- Must demonstrate how the water services will be financially sustainable by June 2028.

In the 2025 LTP, the Council identified in-house delivery of water services as the preferred option based on the best information available at the time. Following further analysis, the three Councils agreed that forming a three-council Council Controlled Organisation would provide stronger financial, operational, and compliance benefits for all three districts. As a result in May and June 2025, all three councils consulted on a three-council Council Controlled Organisation model, which offers improved economies of scale, access to specialist expertise, and a more sustainable and resilient approach to managing future investment and meeting national water service standards.

The Council will make its decision on water delivery arrangements on 24 July 2025 following consultation and submissions from the Westland communities. It will submit its Water Services Delivery Plan to the Secretary of Local Government (Department of Internal Affairs) on 3 September 2025.

Resource Management Act Reforms

The Government has announced that the Resource Management Act 1991 will be replaced with two new acts that clearly distinguish between land-use planning and natural resource management, while putting a priority on the enjoyment of private property rights.

The dual act approach aims to reduce duplication and overlap between different laws and regulations, providing a clearer framework for managing effects on the natural environment.

- The Planning Act: focuses on land-use planning and regulation.
- The Natural Environment Act: focuses on the use, protection, and enhancement of the natural environment.

Other policies include:

- Nationally standardized land-use zones: One combined plan for each region, which the West Coast is already implementing through the Te Tai o Poutini Plan. This includes a spatial plan to provide long-term, strategic direction.
- Resource consents: fewer resource consents required and more permitted activities.
- Compliance and enforcement: A new regulator to reduce lack of consistency in compliance and enforcement activities across regions and enable a more effective response to non-compliance.

Local Government reform programme

In December 2024 the Government announced their intentions for local government reform through the Local Government System Improvements Bill. This bill is intended to be introduced in mid-2025 and enacted in late 2025. The Bill will have a broad policy objective of keeping rates affordable, by refocusing councils on core services, better measuring and publicising council performance, limiting council expenditure on certain activities, strengthening the connection between communities and councils through effective representation, and updating the legislative framework within which councils operate.

The new Council will need to be aware of the purpose and content of the Bill, which is likely to be enacted soon after the Local Government elections and will impact the work of the new Council, particularly refocussing the purpose of local government. The policy proposals will:

- Refocus the purpose of local government through the repeal of the four well beings from the legislation, amending the purpose in s 10(b) to focus on delivery of core services. Aiming to ensure councils keep cost growth under tighter control and deliver better infrastructure and public services.
- Provide regulatory relief to councils by creating efficiencies in the long term plan process, and reducing unnecessary cost burdens on Councils through modernising regulatory requirements.
- Ensure consistent, comparable information about how councils are actually performing is made available through council 'report cards' focussing on council financial performance, including forecast and actual rates, debt and capital expenditure (per rating unit), expanded benchmarking standards and the use of contractors and consultants alongside reporting on employee headcount and remuneration.
- Improve transparency and accountability through a standardised code of conduct that councils will be required to follow.

Further reform announcements are expected during 2025.

Council Achievements (2021–2024)

- Commissioned Fox Glacier Water Treatment Plant, lifting a long-standing boil water notice.
- Redeveloped the Hokitika Pool and transitioned it into direct Council operation.
- Transfer of the isite and Jackson Bay Wharf back to Council for more direct service delivery.
- Investment in community spaces: Cass Square Playground, Carnegie Building restoration, cemetery upgrades, and community halls.
- Progress on Te Tai o Poutini One District Plan, aligning regional planning with iwi and community input.
- Developed and implemented a risk-based infrastructure renewal programme.
- Installed emergency communications and preparedness kits in remote communities using external funding sources.
- Expanded support for youth employment through the Mayor’s Taskforce for Jobs, reducing NEET youth numbers.

Looking Ahead: Priorities for the Next Council

The 2025 LTP outlines significant upcoming decisions:

- Finalising long-term funding models for water infrastructure and regulatory compliance.
- Determining the future of the Hokitika Wastewater Treatment Plant and Franz Josef township resilience.
- Planning for future development in Hokitika, particularly the racecourse recreation area and town centre, that meets the needs of the community.
- Balancing investment in climate adaptation with maintaining current service levels.
- Ensuring community engagement remains strong, especially with iwi and rural settlements.

Long-Term Financial Trends

From LTP 2021 - 2031 to LTP 2025 - 2034

Category	2021 LTP	2025 LTP
Three Waters Reform	Assets expected to transfer	Depending on Council decision in July , assets could be transferred to a three Council CCO (Local Water Done Well)
Rates Cap	5% annual limit	Increased to 7%
Debt Forecast (2025)	Approx. \$30M	Just under \$44M
Capital Expenditure (30 years)	~\$400 million	\$683 million
Capital Focus	Asset renewal	Renewal + resilience + compliance

- Debt is increasing due to catch-up renewals and compliance investments.
- Council is mitigating cost growth through co-funding, staging of projects, and evidence-based forecasting.

Key financial strategies include:

- Using interest income from prefunded loans to offset costs.
- Targeting government grants and cost-sharing to limit ratepayer impact.
- Prioritising essential infrastructure renewal based on asset condition data.

Despite these efforts, the affordability challenge remains significant. The Council has been transparent in disclosing increasing costs in water services and planning for rate increases that reflect inflation and regulatory compliance.

Major Projects

Renewal of core infrastructure, as well as responding to government reform and addressing community expectations are the priorities of the LTP 2025 - 2034. The table sets out planned major projects that are underway or proposed for the next three financial years (2025/2026, 2026/2027 and 2027/2028). It is not an exhaustive list of projects and should be read in conjunction with the LTP 2025.

Information on projects in other activity areas can be found in our Annual Report 2023/2024, Enhanced Annual Plan 2024/2025 and LTP 2025 - 2034.

Land Transport

Council undertakes an annual routine maintenance programme to ensure the safe, efficient and sustainable operation, renewal and upgrading of the roads and bridges.

Funding for local roads is shared with New Zealand Transport Agency Waka Kotahi (NZTA) with a base subsidy of 64% for local roads and 100% for Special Purpose Roads (SPRs). Jackson Bay Road is a SPR. Annual budgets are adjusted in line with the funding agreed by NZTA. Funding for SPRs has been approved until 30 June 2027. After that date NZTA has indicated that SPR funding will cease.

	2025/2026	2026/2027	2027/2028	2028/2029
	\$000	\$000	\$000	\$000
Roading bridges & structures	1,206	1,228	1,993	1,861
Road sealed surface	1,667	1,697	2,201	2,055
Roading bridges & structures (special purpose road)	1,000	-	-	-
Racecourse Development – Rooding infrastructure	1,000	-	-	-

Drinking Water

Council manages the supply of clean, safe drinking water for consumers on Council supplies to ensure the protection of public health and the environment and to provide for the economic wellbeing of the district.

	2025/2026	2026/2027	2027/2028	2028/2029
	\$000	\$000	\$000	\$000
Blue Spur Chlorination building renewal	500	-	-	-
Blue Spur Membranes replacement	-	1,460	1,171	-
Franz Josef Watermains/Points replacement	120	-	-	152
Hari Hari Watermains replacement	-	-	239	-
Haast Watermain/Points replacement	220	-	-	-
Hokitika Watermains replacement	-	-	-	1,249
Kumara Watermains and Fittings upgrade	-	-	119	135

Stormwater

Council provides reticulated stormwater to the township of Hokitika (including Kaniere), and roadside drainage to the remainder of the townships of the District to ensure protection of public health and safety, and the environment.

	2025/2026	2026/2027	2027/2028	2028/2029
	\$000	\$000	\$000	\$000
Hokitika - Sewell St Pump Upgrade	260	-	-	-
Hokitika - Stormwater Mains replacement	-	1,043	542	787
Hokitika - Livingstone St Pump Upgrade/SW retic with pump upgrade	1,325	-	-	-
Hokitika - Pump Station Component Upgrades (c/fwd)	257	-	-	-
Hokitika - Stormwater Sump Replacements	-	-	163	-

Wastewater

Council provides wastewater services to the townships of the District to ensure the protection of public health and the environment and to provide for the economic well-being of the District.

	2025/2026	2026/2027	2027/2028	2028/2029
	\$000	\$000	\$000	\$000
Hokitika WWTP Treatment and Disposal	2,365	13,550	11,147	281
Hokitika Upgrade Pump Stations - Pumps and Components	420	146	-	-
Hokitika WWTP pump station SCADA system	83	190	-	-
Hokitika Wastewater Mains replacement	-	-	-	1,417
Franz Josef WWTP renewal	-	31	814	-

Other activities

	2025/2026	2026/2027	2027/2028	2028/2029
	\$000	\$000	\$000	\$000
Solid Waste – Haast Landfill capping	150	-	-	-
Planning & Regulatory Services - Civil Defence - Emergency Operations Centre (Container)	-	-	265	-
Facilities, & Leisure Services – Jackson Bay Wharf upgrade		1,848	2,122	-
Facilities, & Leisure Services - Swimming Pool Ross - general upgrade	300	-	-	-
Facilities, & Leisure Services - Cycle Trail - Totara Bridge - route diversion	1,400	-	-	-
Facilities, & Leisure Services - Cycle Trail – Mahinapua boardwalk and bridges	-	-	-	836
Leadership – Council HQ earthquake strengthening and refurbishment	1,350	3,248	-	-

Financial Strategy

Council's Financial Strategy contains the Council's policy for prudent and sustainable financial management and provides the overall effects of proposals for funding and expenditure on Council's services, rates, debt and investments. The Financial Strategy is updated each long-term plan cycle. Factors that affect the Council's ability to maintain existing service levels and meet additional demands for services are regulatory, national policy and macroeconomic.

Operating expenditure

Westland District Council employs a diversified approach to funding its operating expenditure, ensuring a stable and reliable revenue stream. Over the nine-year lifetime of the LTP 2025, operating expenditure is forecast to increase 39%. The council's primary source of funding is rates, which are collected from property owners within the district. The rating system is designed to be fair and equitable, considering factors such as property value and land use. Other sources of revenue include subsidies and grants, fees and charges, and interest and dividends.

The cost of maintaining current levels of service is forecast to increase over the life of the plan. Where practicable, the Council collaborates with its neighbouring West Coast Councils, including in roading and waste management. The Council also takes advantage of external funding opportunities, such as NZTA Funding Assistance Rate and other support packages.

Capital Expenditure

With improved data around the condition of its assets, the Council is well positioned to plan capital works in the short and long-term. Resilience and affordability of infrastructure assets is the primary focus of the capital plan over the next nine years. As with operating expenditure, the Council will take advantage of external funding, subsidies and other financial incentives to reduce the burden on ratepayers.

Depreciation reserves have been building steadily. However, depreciation for three waters was not funded in the 2023-2024 year in anticipation of transferring these assets to a non-Council entity. Following the repeal of that policy, the Council has continued to fund three waters depreciation. It is forecast that the depreciation reserves for the infrastructure renewals over the 30 year period of the Infrastructure Strategy will mainly be sufficient to fund the renewals.

The first three years of the plan incorporate significant level of service increases due to the Hokitika Wastewater Treatment Plant project, as this project provides improved resilience and environmental improvements into the future. NZTA provides a subsidy to Council of 64% towards the upkeep of council's land transport activity, and 100% for the special purpose road (Haast-Jackson Bay Road). This is set for the first two years of the plan, however Council will need to work with Waka Kotahi to continue these subsidies throughout the life of the plan.

Planned Debt

Forecast debt levels are shown below. Capital expenditure and associated loans are for infrastructure works such as 3 waters, transport and refuse. Debt is forecast to increase until 2028, then to even out with further increases from 2032. This aligns with Council's Infrastructure capital plan where upgrades will be carried out towards the start of the plan and renewals expenditure later in the plan.

There is also some loan funded capital expenditure for Leisure Services and Facilities. There is no plan to fund operating costs with loan funding.

Annual Plan 2022/2023 (\$000)	Annual Plan 2023/2024 (\$000)	Enhanced Annual Plan 2024/2025 (\$000)	Long Term Plan 2025/2026 (\$000)	Long Term Plan 2026/2027 (\$000)	Long Term Plan 2027/2028 (\$000)	Long Term Plan 2028/2029 (\$000)
\$32,497	\$31,098	\$37,706	\$40,587	\$59,167	\$71,974	\$71,338

Compliance with limits in the Financial Strategy

The Financial Strategy and Liability Management Policy is required by the Local Government (Financial Reporting and Prudence) Regulations 2014 and can be found in the LTP 2021 and LTP 2025. It contains the limits on rates, rate increases, and borrowing. Council's compliance with rates affordability, debt affordability and returns on investments is outlined below.

Statement of Compliance	Annual Plan 2022/2023	Annual Plan 2023/2024	Enhanced Annual Plan 2024/2025	Long Term Plan 2025/2026	Long Term Plan 2026/2027	Long Term Plan 2027/2028	Long Term Plan 2028/2029
Rates affordability benchmark							
Planned increases	6.9%	-14.2%	2.3%	13.2%	8.6%	10.4%	9.6%
Limit	5%	5%	5%	7%	7%	7%	7%
Planned income	\$19,482,762	\$19,266,176	\$22,958,196	\$25,983,743	\$28,220,803	\$31,164,717	\$34,169,613
Limit	\$33,823,293	\$36,191,105	\$35,005,150	\$40,044,387	\$39,193,755	\$42,529,256	\$45,532,085
Debt affordability benchmark							
Planned	85%	108%	91%	71%	119%	138%	124%
Limit	175%	175%	175%	140%	140%	140%	140%

Equity investments 2022 - 2024	Shareholding	Dividend	Return
Westland Holdings Ltd	\$12,649,792	\$250,000	2%

Financial Summary

Funding Impact Statement

The Funding Impact Statement sets out how council intends to fund its capital and operational activities for this financial year and the next three years. Capital funding is used for expenditure on major assets, such as water treatment plants. Funding for operational expenses cover the ongoing costs for council to operate such as electricity and staff costs. The costs for 2022/2023 and 2023/2024 were budgeted in the respective Annual Plans and confirmed in Annual Reports. The costs for 2024/2025 were budgeted in the Enhanced Annual Plan 2024/2025. Costs for 2025/2026, 2026/2027 and 2027/2028 were forecast in the Long Term Plan 2025 – 2034.

Prospective Funding Impact Statement							
	AR 2023 (000's)	AR 2024 (000's)	EAP 2025 (000's)	LTP 2026 (000's)	LTP 2027 (000's)	LTP 2028 (000's)	LTP 2029 (000's)
(SURPLUS) / DEFICIT OF OPERATING FUNDING							
Sources of Operating Funding							
General rates, uniform annual general charges, rates penalties	8,889	11,174	10,925	13,365	14,289	15,055	15,845
Targeted Rates	9,878	7,717	12,034	12,619	13,932	16,110	18,324
Subsidies and grants for operating purposes	3,867	3,508	4,242	3,408	3,044	2,408	2,468
Fees and charges	2,254	2,744	2,603	2,816	2,898	2,954	3,028
Interest and dividends from investments	1,050	1,482	1,371	835	744	777	840
Local authorities fuel tax, fines, infringement fees, and other receipts	2,649	1,413	1,360	1,497	1,421	1,408	1,406
Total Operating Funding (A)	28,588	28,038	32,534	34,540	36,328	38,712	41,911
Applications of Operating Funding							
Payments to staff and suppliers	23,011	25,210	24,306	43,087	27,061	27,196	27,907
Finance Costs	1,395	1,803	1,760	1,605	1,774	2,729	3,425
Total Applications of Operating Funding (B)	24,407	27,013	26,066	44,692	28,835	29,925	31,332
Surplus/(Deficit) of Operating Funding (A - B)	4,181	1,025	6,468	(10,152)	7,493	8,787	10,580
(SURPLUS) / DEFICIT OF CAPITAL FUNDING							
Sources of Capital Funding							
Subsidies and grants for capital expenditure	3,992	6,373	9,026	22,057	2,972	3,877	3,620
Increase (decrease) in debt	(3,000)	4,500	3,888	2,843	17,280	12,607	(636)
Gross proceeds from sale of assets	12	125	-	1,256	-	-	-
Total Sources of Capital Funding (C)	1,004	10,998	12,914	26,156	20,252	16,484	2,984
Application of Capital Funding							
Capital Expenditure:							
- to meet additional demand	666	177	818	56	22	19	26
- to improve the level of service	4,929	6,656	7,600	7,312	14,780	12,908	1,849
- to replace existing assets	6,266	4,598	12,602	11,775	13,973	12,215	10,454
Increase (decrease) in reserves	(6,675)	591	(1,638)	(3,139)	(1,031)	129	1,236
Total Applications of Capital Funding (D)	5,185	12,023	19,382	16,004	27,744	25,271	13,565
Surplus/(Deficit) of Capital Funding (C - D)	(4,181)	(1,025)	(6,468)	10,152	(7,493)	(8,787)	(10,581)
Funding Balance ((A - B) + (C - D))	-	-	-	-	-	-	-

Statement of Financial Position

The Statement of Financial Position sets out the current value of council's assets and council's liabilities that are used to fund assets. The main assets that council owns are property, plant and equipment.

Prospective Statement of Financial Position							
	AR 2023 (000's)	AR 2024 (000's)	EAP 2025 (000's)	LTP 2026 (000's)	LTP 2027 (000's)	LTP 2028 (000's)	LTP 2029 (000's)
Assets							
Current assets							
Cash & cash equivalents	8,378	5,320	7,022	6,257	5,819	5,778	7,387
Debtors and other receivables	2,809	3,613	3,776	3,171	3,237	3,302	3,364
Inventory	-	208	-	-	-	-	-
Other financial assets	48	8,271	128	5,137	5,069	5,087	5,087
Derivative financial instruments	53	181	53	-	-	35	3
Total current Assets	11,288	17,594	10,978	14,566	14,125	14,201	15,841
Non-current Assets							
Council Controlled Organisation	12,695	12,480	12,695	12,480	12,480	12,480	12,480
Deferred tax	176	-	-	-	-	-	-
Intangible Assets	151	141	74	94	110	112	115
Assets Under Construction	9,571	5,435	16,450	17,916	27,058	34,711	4,916
Other Financial Assets	553	1,703	776	705	1,699	2,322	2,290
Derivative Financial Instruments	1,052	441	642	53	69	28	28
Investment Property	-	493	-	-	-	-	-
Property, Plant and Equipment	515,647	533,816	555,720	535,559	593,123	601,208	629,101
Total Non-current assets	539,845	554,016	586,357	566,807	634,539	650,861	648,930
Assets held for sale							
Assets held for sale	-	446	-	446	446	446	446
Assets held for sale		446		446	446	446	446
Total Assets	551,133	572,056	597,335	581,819	649,110	665,509	665,217
Liabilities							
Current liabilities							
Creditors & other payables	4,001	3,548	3,825	3,539	3,622	3,703	3,779
Employee benefit liabilities	521	589	545	618	633	647	660
Borrowings	3,000	8,218	6,000	9,944	11,244	11,444	11,444
Derivative Financial Instruments	-	-	-	-	-	2	4
Other	595	987	619	1,033	1,057	1,080	1,101
Total Current Liabilities	8,117	13,343	10,989	15,134	16,556	16,875	16,987
Non-current liabilities							
Deferred Tax	-	68	-	41	41	41	41
Employee benefit liabilities	30	36	32	38	39	40	41
Provisions	3,335	3,137	3,335	3,137	3,137	3,137	3,137
Borrowings	23,818	28,826	31,707	30,643	47,923	60,530	59,894
Derivative financial instruments	-	18	-	180	89	23	-
Total Non-Current Liabilities	27,183	32,084	35,073	34,039	51,230	63,772	63,114
Total Liabilities	35,300	45,427	46,062	49,174	67,786	80,647	80,101
Net Assets	515,833	526,630	551,273	532,646	581,325	584,862	585,116
Equity							
Retained Earnings	172,412	164,747	178,124	175,422	177,032	180,026	178,754
Restricted Reserves	10,073	10,295	7,110	5,524	5,952	6,495	8,021
Revaluation reserves	333,170	351,458	365,878	351,573	398,214	398,214	398,214
Taxation on revaluations reserve	177	130	161	127	127	127	127
Total Equity	515,833	526,630	551,273	532,646	581,325	584,862	585,116

Sources

- Annual Reports
 - 2022/2023: <https://www.westlanddc.govt.nz/media/bgfglrof/annual-report-2022-2023-final-audit-opinion-v-2.pdf>
 - 2023/2024: <https://www.westlanddc.govt.nz/media/2lzbvq22/adopted-annual-report-2023-2024.pdf>
- Enhanced Annual Plan 2024/2025: <https://www.westlanddc.govt.nz/media/fhhiq3uf/adopted-ap-2024-2025.pdf>
- Long Term Plan 2021 – 2031: <https://www.westlanddc.govt.nz/your-council/plans-policies-and-bylaws/long-term-plan/>
- 2025 - 2034 Long Term Plan: [adopted -ltp-2025 incl-audit-opinion.pdf](#)
- 2025 – 2055 Infrastructure Strategy: [wdc-is-2025-54.pdf](#)
- Regional statistics from Infometrics (covering economy, environment, housing, employment, wellbeing, and more): <https://rep.infometrics.co.nz/westland-district>
- Local Water Done Well FAQs: <https://www.westlanddc.govt.nz/media/tmjfh32v/lwdw-faqs.pdf>
- Proactive release of Cabinet material about Local Government System Improvements, 3 February 2025: [https://www.dia.govt.nz/diawebsite.nsf/Files/Proactive-Releases-2024-25/\\$file/System-Improvements-Cabinet-material-November-2024_Redacted.pdf](https://www.dia.govt.nz/diawebsite.nsf/Files/Proactive-Releases-2024-25/$file/System-Improvements-Cabinet-material-November-2024_Redacted.pdf)
- Resource Management Act Reform: <https://environment.govt.nz/news/reforming-the-resource-management-system-replacing-the-rma/>