

# Westland District Council Te Kahui o Poutini Long Term Plan 2021-2031



## Consultation Document

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## Your Mayor and Councillors

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## We want your feedback

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This Consultation Document and the draft Long Term Plan set out Council’s proposed spending and projects for the next 10 years.

It’s easy to have your say: complete the feedback form online or at the end of the booklet. You can also come along to a community meeting and have a chat with a local Councillor. At the end of the consultation period, we will be holding hearings so that you can speak about your submission.

The key points you need to know are contained in this booklet. For more information about our Long Term Plan, including the finances, projects, policies and the services we provide visit our website

<https://www.westlanddc.govt.nz/long-term-plan-2021-2031>, or collect a copy from the library or Council’s customer service desk.

# Looking Ahead

Westland faces the next 10 years with many things to consider: what ongoing effects will Covid-19 have on the economy, particularly tourism and resilience? How will the government's Three Waters review affect our services and the cost to the ratepayer? What impact will the recommendations from the climate commission to government have? How can we provide affordable services to ratepayers and ensure that people get a fair deal?

We have asked ourselves these questions as we developed this plan. You have told us that you want us to maintain and sometimes improve the services that we provide the community. We know that value for money is important to the community and our focus is on the recovery of the community after the ravages of Covid-19. My team of Councillors and I have taken a realistic, long-term view for the community. As advised, we deferred last year's increase to assist the community and this year's rates increase includes that deferment.

We are looking towards the next 10 years with a positive outlook. We believe that Council will deliver this plan and continue to make Westland District a great place to live, work and play.

*Bruce Smith, Westland Mayor*

## What is the Long Term Plan?

The Long Term Plan (LTP) is the Council's 10-year strategy that guides what services we deliver, how we deliver them and how we can provide ratepayers the best value for money when we spend your rates. This is how we map our plans for the next 10 years.

## What is the Consultation Document?

A Consultation Document (CD) provides a summary of the work that Council wants to do over the life of the LTP, how much this will cost, and how we intend to pay for it. We ask the community to use this information to tell us what you think about our plans. Councillors adopt a draft LTP, which is the underlying information to the CD and this is referred to throughout the CD.

## Key things to know

***We are proposing a 13% rates increase\* in Year 1 (2021/2022) of the plan. In the first three years of the plan, Council will be catching up on rates increases. From Year 4 increases will range from 1.2% - 3.5%.***

1. General rates are based on property ratings valuations. Quotable Value issued new rating valuations for review in December 2020 and they come into effect from 1 July 2021. These are updated every three years and reflect the likely selling price of a property at that point in time. This is one part of the proposed rates increase. You can read more about rates components [here](#) and about the revaluation process [here](#).

## Key Dates

10 May, 9am

Submissions Open



12 May – 25 May

Consultation Roadshow



11 June, 12pm

Submissions Close



15 – 16 June

Submissions Hearings



17 June

Consideration of submissions



30 June

**Long Term Plan adopted**

2. In 2020 the rates increase was deferred. Councillors wanted to support the community because we did not know how Covid-19 was going to affect people's ability to pay their rates. At the time, we let you know that this was going to impact rates increases in the 2021/2022 year. The effect of this is that the increase in the first year of this plan includes two years' worth of adjustments to continue to provide adequate levels of service. Even though we have focused on the essentials, we ask the community to support an increase in rates to continue our investment in the community.
3. Central government is imposing new regulations and costs on Council activities. Some of the costs to meet the standards imposed and pay the costs are passed onto the ratepayer, unless we can get external funding.
4. The work under our last LTP focused on priority projects, which meant that deferred some planned projects. We were fortunate to benefit from central government funding for unplanned projects. These additional projects have supported the regional economy and enabled retention of jobs. We have increased our personnel to ensure that we can deliver the work we say we will do under this plan on time, in full and on budget.

*\*Rates calculations do not include Elderly Housing assets and their management fee.*

## Services we provide

Council provides services to the community. Some are provided and managed by Council, and some by our Council Controlled Organisations.

### 3 waters

Wastewater treatment plants, reservoirs, water treatment plants, pipes, reticulation, pumping stations, service connections, fire hydrants, manholes, and campervan effluent disposal sites.

### Parks and reserves

Children's playgrounds, parks, swimming pools, sports grounds, skate park, statues and monuments, public toilets, and cemeteries.

### Libraries and Museums

Westland District Library, community libraries, Carnegie Gallery, and Pakiwaitara.

### Land Transport

Roads, footpaths, bridges, culverts, traffic signs and markings, underpasses, and streetlights.

### Regulatory and Community Services

Building consents and inspections, dog and stock control, noise control, alcohol and food act licencing, Health Act licencing, and other licencing, community grants and support.

### Property

Council headquarters and other property management, community centres and halls, Jackson Bay Wharf, and pensioner housing.

### Solid Waste

Kerbside rubbish and recycling collection, township litter bins, landfills, transfer stations, and responsible camping waste stations.

### Planning

Resource Management Act compliance and input into the Te Tai Poutini Combined District Plan.

### Governance and support services

Customer services, finance, human resources, communications, policy advice, administration, IT, Information Management, democratic services, and Councillors.

# What your money is spent on

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To continue 'business as usual', we are planning to spend \$27.4 million in the first year of the plan for running costs. This finances our important core services for the community including, customer service, libraries, clean public toilets, rubbish collection, and transfer stations. Some of this funding also meets some of the costs of maintaining important assets like roads and water pipes.

Our previous LTP identified the need to focus on understanding the condition of our assets, particularly the 3 waters assets. Making these improvements has been a priority for us over the last three years and with a better understanding we have been able to plan to fund renewals properly. Over the next 10 years we plan to invest around \$109 million in our capital programme on replacements and new assets to ensure that we can maintain our existing levels of service, ensure the assets are safe and meet legislative requirements, and are resilient to natural hazards and climate change. Of this about 68% will fund replacements and 32% will fund upgrades and new projects.

## Making your money count

In 2018 Council adopted the vision

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*"We work with the people of Westland to grow and protect our communities, our economy and our unique natural environment."*

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To make sure that we can meet this vision, we worked with the community to develop a set of expectations known as Community Outcomes and measurements.

**Westland District has a Diverse Economy**

**Westland District has a Sustainably Managed Environment**

**Westland District has Resilient Communities**

You can read more about these goals on p 41 of the Draft LTP.

In general, we intend to maintain the levels of service we currently provide across our activities. We will continue to focus on resilience to natural hazards within our Infrastructure activities. With the purchase of the Pakiwaitara building we anticipate that we will be able to provide an improved level of service for the Museum and Library activities in the future. You can find out more about our intended levels of service in Part A – Introduction on pp 14 - 15 and Part C – Council Activities on pp 48 – 172 of the Draft LTP

Looking after the District's assets is one of the most important jobs that Council does towards achieving our vision and Community Outcomes. These are the essential services that Council owns and looks after for the community, such as roading, 3 water services, parks, playgrounds and buildings. As of writing the draft Long Term Plan, altogether, these assets are worth almost \$420 million.

One of our largest set of assets that we maintain are the roads, footpaths and bridges that Council owns. We look after these and keep them safe for the community to use. We are also responsible for ensuring that the community has safe

drinking water, that wastewater is treated and disposed of, stormwater has adequate drainage and rubbish and recycling are dealt with.

To find out more about what we are planning to do with our infrastructure, see pages 14 - 21 of the Consultation Document and pages 183 - 252 of the Draft LTP.

## Significance & Engagement Policy

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Council's Significance and Engagement Policy helps us decide what issues and decisions are significant enough to undertake engagement, and the appropriate level of engagement to undertake. This is an important part of the decision-making framework for the Council and the community.

In December 2019, Council reviewed and amended the Policy. Consideration of the four branches of community well-being: Economic, Environmental, Social and Cultural is now part of the Policy. You can read the full policy on our website [here](#).

## The big issues

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Council has three big changes that we want to discuss with the community:

- Is our Uniform Annual General Charge set at the right level?
- Should we transfer ownership of our elderly housing portfolio to Destination Westland?
- If we should invest in further improvements to the Hokitika Centennial Swimming Pool?

### FEEDBACK

What options do you think will benefit the community the most?

Find the Feedback from on pp 33 - 34 or online at <https://www.westlanddc.govt.nz/long-term-plan-2021-2031>

There are different options, and we'd like to know what you think is best for the community. We believe that these changes reflect the goals in our Community Outcomes, discussed above.

You can provide feedback about these changes and anything else in the Consultation Document and Draft Long Term Plan on our feedback form. See p 33 for ways to have your say.

"My view is that when the Pakiwaitara building is finished it will be a feature, along with the Pounamu trail, adding interest to our town. Any work on the swimming pool is a wonderful investment for the families in this town. We need to be planning and getting people involved to hear what they way. This plan is about fairness, and it's essential to invest in the right things and focus on the right things like our elderly people and our families."

*Bruce Smith, Westland Mayor*

## Setting the right level of Uniform Annual General Charge

We set two types of general rate on every property in the district:

- Uniform Annual General Charge (UAGC), which is the same amount paid on every property;
- General rate, based on the capital value of the property and the category of use.

We committed to review the proportion of general rate paid through the UAGC annually to ensure that everyone pays a reasonable share and gains benefit from the Council using a capital value based system.

When the capital based system works effectively, owners with properties that have a lower capital value pay a lower general rate on their property, while the UAGC is the same for every single property. This means that ratepayers with lower value properties pay lower rates on the capital value but Council still receives the same amount of income.

Over time, the UAGC should be lowered to ensure that they system works as it should. We will continue to review the effectiveness of the UAGC rate percentage.

After reviewing the current UAGC percentage of 21.7%, Councillors preferred option is to lower the percentage to 17.5%, which will place greater emphasis on the capital value rather than a higher UAGC for all ratepayers.

Alternatively, the UAGC could be lowered even further to 12.5%. This places greater emphasis on capital value with owners with higher value properties paying a higher proportion of general rates.

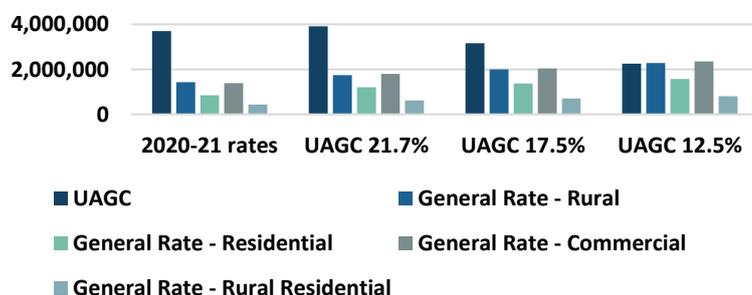
This table compares the effect of each percentage on our rates revenue, based on the proposed 13% rate increase.\*

Whichever option Councillors adopt, the total revenue will stay the same.

\*Figures are calculated based on rating units as at 1 April 2021.

General Rate Type	2020-21 rates	Preferred Option		
		2021/2022 UAGC 21.7%	2021/2022 UAGC 17.5%	2021/2022 UAGC 12.5%
<b>UAGC</b>	3,705,943	3,914,162	3,156,583	2,254,702
<b>General Rate - Rural</b>	1,426,072	1,748,004	1,994,908	2,288,842
<b>General Rate - Residential</b>	849,582	1,206,033	1,376,384	1,579,183
<b>General Rate - Commercial</b>	1,393,223	1,794,108	2,047,525	2,349,212
<b>General Rate - Rural Residential</b>	432,910	615,273	702,181	805,641
<b>Total General Rates</b>	<b>7,807,730</b>	<b>9,277,580</b>	<b>9,277,580</b>	<b>9,277,580</b>

### General Rates



### Preferred Option

**Lower the UAGC to 17.5%**

\$520.80 UAGC per rateable property in 2021/2022\*



### Alternative Options

**Lower the UAGC to 12.5%**

\$372.00 UAGC per rateable property in 2021/2022\*

**Keep the UAGC at 21.7%**

\$649.79 UAGC per rateable property in 2021/2022\*

You can see what effect this could have for specific properties in the 'Where our Funding Comes From' section on page 27. This table contains sample properties across all of the property types in each community.

## Ownership of Elderly Housing



Image: 199 Revell Street, Hokitika, 'Mary Meyer's Flats'

Councillors recognise the strong contribution that older residents make to the District through their family networks and connections to the community. Our commitment is to provide affordable housing to allow people to stay in the Westland District as they grow older. As part of our vision to grow and protect communities, we want to provide services in a way that is sustainable into the future.

There is a high demand in the District for supported housing for elderly residents and this demand is likely to grow. At present, our elderly housing does not meet the needs of the community. We can currently accommodate 3.8% of the district's elderly residents but we know that at least 8.3% would like to live in a Council supported unit. There are too few units available and some of these are no longer fit for purpose. Our elderly housing stock should provide a healthy home for residents who need support and we need to increase the number of units available.

There are 55 elderly housing units in Westland, 51 in Hokitika and four in Ross. Council owns 46 units and Destination Westland (DWL) owns 9. Destination Westland manages the Council owned units for us.

Councillors' proposal and preferred option is to transfer all of the elderly housing stock to DWL ownership. Destination Westland has a strong property management team who can improve and develop more housing stock quicker than Council can. Owning the housing stock would give DWL the advantage of being able to make decisions about capital expenditure in a more agile way, without

### Preferred Option

#### Transfer assets to Destination Westland

Reduce **operating costs** by \$152,014, which represents 0.9% of rates because Council would not have to depreciate the assets or pay DWL a management fee.

Reduce **capital costs** by \$228,500 over Year 1 of the plan because planned capital projects would be transferred to DWL.

Debt levels will be reduced by \$38,250.



### Alternative Option

#### Keep ownership of the assets

If we continue to own the assets we will pay \$152,000 Management Fee to DWL. This is budgeted as an operating cost and paid through rates. Rates would increase 0.9% from the proposed 13%, which has been calculated based on the preferred option of transferring the assets. Debt levels will remain as they are currently.

Capital costs of \$228,500 have been budgeted in the Capital Plan to complete Healthy Homes heating, ventilation and insulation requirements by 2024 if we keep the assets.

requiring approval from Council to do so. This approach also frees up Council staff to concentrate on core infrastructure projects.

The main disadvantage to this approach is that Council no longer has direct control of the assets. However, Council must still approve any strategies and statements of intent from DWL before they can be put into practice.

# Expanding Hokitika Centennial Swimming Pool



Hokitika’s Centennial Swimming Pool is undergoing some major refurbishment so that it continues to operate as a high-standard community asset.

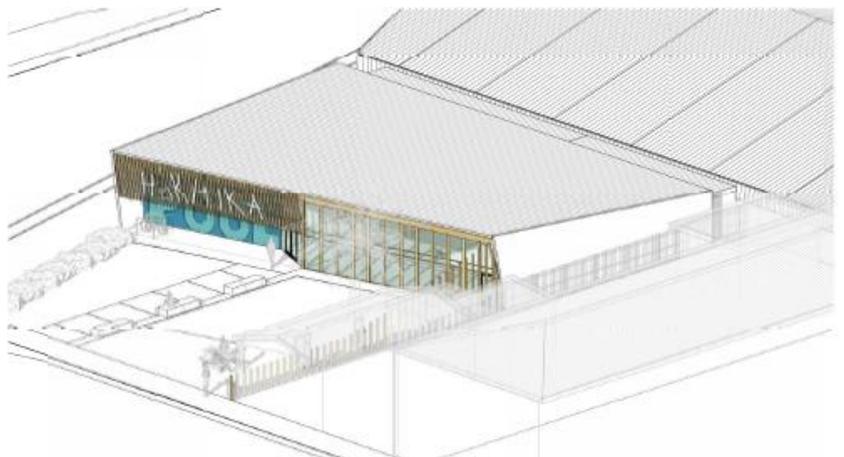
The Swimming Pool is one of our most utilised community assets. Currently we do not cater well for children under five years of age because there is no toddlers or learners pool for them to play and learn in. Learning to swim is part of our New Zealand culture and it is important for children to have access to a safe and pleasant environment to learn in.

Following the current upgrade, Councillors propose enhancing the user experience further by developing a standalone toddlers or learners swimming pool as an extension of the existing infrastructure.

A suitable pool requires a warmer temperature than the main swimming pool. It would be fitted with fun elements to simulate water awareness for our younger generation. The area will also provide for caregivers to watch in comfort whilst the children are at play.

This plan includes Councillors preferred option of \$2.38 million over the 2023/2024 & 2024/2025 years to build a covered and heated children’s pool, known as Stage 3 of the development. We received funding from the Provincial Growth Fund in 2020 to begin the refurbishment under Stages 1 and 2, but this is not enough to complete Stage 3. If funding can be secured, or if it more economical, Stage 3 could be brought forward and the upgrade would be completed earlier.

Each stage of work will be undertaken over the low use periods between 2021/2022 to 2024/2025, to reduce disruption to our swimming pool users. This does mean closing the pool for six-months of the year over a number of years. However, the community will still have access over the more popular summer months.



## Preferred Option

### Complete Stage 3 of the Pool Expansion

\$2,379,930 capital cost fully loan funded.

\$2,379,930 debt

\$123,537 operating costs the year following completion paid by rates.

Represents 1% of the rates in 2025/2026 based on current calculations.



## Alternative Option

### Leave the children’s pool in place

We can leave the swimming pool as it is with the small toddler section fenced off from the main pool. This uses the same water and is the same temperature throughout both pools.

There is no additional cost to leave the pool where it is.

## Rates Remission – Adverse Possession

Continuous improvement of the Rating Information Database is a focus for our Finance Team. In 2020, Council reviewed rating units treated as contiguous for the purposes of receiving remissions under the Rates Remission Policy. The review identified that legally we should be invoicing land title-holders, not the person who makes the rates payments.

This means that ratepayers who pay rates on land with the intention to claim adverse possession are now charged the full rate, as they are not the land title-holder.

Council proposes to adopt a Rates Remission – Adverse Possession Policy to assist ratepayers in this situation. Rating units would be treated as if section 20 of the Local Government (Rating) Act 2002 applies, and are therefore a single unit. Additional rating units may qualify for a remission of the UAGC and specified targeted rates. Ratepayers would be able to claim a remission on this land from year 5 of paying rates on the land until 30 June of the 21<sup>st</sup> year to allow them time to undertake the land transfer processes under adverse possession.

Our draft Rates Remission – Adverse Possession Policy is on p 265 of the Draft LTP.

## What else are we planning?

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### The future of our places and spaces

Investment into the long-term future of the district to encourage growth and vibrancy is important to us. Making this investment means that major works need to be undertaken. We propose spending about \$9.8 million on projects at the Pakiwaitara building, Cass Square and the Hokitika Racecourse to meet this goal. We see these projects as linking together to make Hokitika a destination for locals and visitors alike, and to provide an exciting gateway to the wonders of the southern parts of our District.

The projects that have been included in the Draft LTP lay the groundwork for further development at each site and will be staged over the life of the plan. We will continue to hold conversations with our stakeholders and community about the best use for each place as plans progress. Costs for the current projects have been included in the budgets for the Draft LTP.

All of the projects outlined below ensure that the assets are prepared for further development and use, which provides long-term value to the community. More details, including proposed project costs are set out below.



## Transforming the Pakiwaitara Building

“Pakiwaitara” means Stories and we want to start conversations with the community about what stories you want represented in this space. We chose the name in consultation with our Paptipu Rūnanga partners, Te Rūnanga o Ngāti Waewae and Te Rūnanga o Maakawhio to represent the branches of Pakiwaitara pukapuka (book stories) and Pakiwaitara Taonga (artefacts stories) that will be housed and showcased in the Pakiwaitara building.

### The proposed capital plan includes:

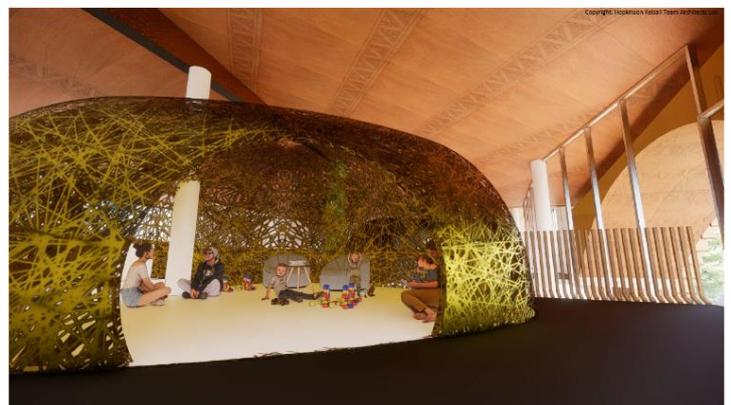
Year	Project	Cost
2021/2022 (Year 1)	Earthquake strengthening & building works	\$950,000
2021 – 2023 (Years 1 & 2)	Fit out	\$2,443,200

Financial plans for 2022/2023 and 2023/2024 will be reviewed based on feedback for how we develop the building.

Any changes to the costs will be included in that year’s Annual Plan.

The building sits at the entrance to town and the community can be part of creating a powerful visual message to visitors about what the district means to us.

In the modern world information is all around us. Libraries and Museums are home to information and people who can help us to use and understand information. Our initial thoughts are that library services, some of the Taonga (museum artefacts), and visitor services are interlinked. The concept of Pakiwaitara is to bring together these complimentary resources into one space in a way that brings the most value to the community.



*\*Example concept designs*

This document presents some of example concepts for the building and internal fit out:

- The external concept representing the landscape that surrounds us, which nurtures us and offers us recreation.
- Internal concepts of spaces that bring people together for learning and sharing, through library, heritage and information services.

Concept designs are just a starting point for the conversation. Your feedback about what facilities you would like to see in the building is going to assist Councillors to make their decisions about the future uses within the building.

## *Improving and developing Cass Square and Hokitika Racecourse*

Our draft Long Term Plan contains the following capital projects for Cass Square and the Hokitika Racecourse:

Asset	Project	Cost
Cass Square	Enhancements	\$1,920,000
Hokitika Racecourse	Racecourse Development	\$4,483,000

### Cass Square

The Sport Canterbury West Coast Sport and Active Recreation Spaces and Places Strategy (SARSPS) identifies community wants and needs for sport and recreation facilities in their districts. We will refer to this resource as we firm up our plans to review with the community.

Currently, we are developing concepts for Cass Square that will support local sports and recreation activities.

- Design and development of a new pavilion with a multi-use focus, allowing any of the interested sports codes to access and use the facility as well as space for meetings, passive recreation, health and social programmes in line with the SARSPS. This building will replace the current toilet and changing room facility and the grandstand.
- We plan to enhance the user experience of the skate park with a significant upgrade. Current draft concept designs allow the skate park to cater to all ages and development of skills and ability. The concept design is the first step in the process, as we want to know what will work best for the community and we will continue to seek feedback as work progresses.

Cass Square and the Hokitika Racecourse are both assets that contribute to the social and economic well-being of the Westland district and serve multiple purposes for the community. With this in mind, we are seeking feedback on the best future uses of these two sites. What we choose to do with one will potentially affect the other.

Over the next five to 10 years' our short to medium term focus will be on ensuring the facilities in Cass Square meet the community's expectations. This will give us time to plan for long-term facilities and use of both Cass Square and the Hokitika Racecourse land.

Costs included in the LTP are estimates and we will fully scope the projects before any confirmed plans are carried out. Following this we will consult with the community through a special consultative process.

- Work will continue to remedy the issues identified in the last playground Audit and further enhance the playground area. There will also be public toilets that are more convenient to the playground area.
- We are considering an alternative fitness trail with low-impact outdoor equipment along the Stafford street side of the Square.



## Hokitika Racecourse

Based on feedback and expert advice we will build a concept plan for the Racecourse land. Many of the buildings on the site are no longer fit for purpose and have been identified for removal, enabling a redevelopment project. Buildings that are still fit for purpose, or historic, will remain on the site and we will maintain these while we work on the concept plan.

One of the major things that we need to address is the poor drainage of the site. This requires significant infrastructure works for the ground to be suitable for long-term future development. Addressing the drainage is estimated to cost \$1 million. We consider addressing the drainage a growth activity under our Infrastructure Strategy as it will support new development on the site.

Community feedback will allow us to refine plans for the best use of the site for the community. An option, if the community agree, is that we could allocate some of part of the residential land to housing development, which would help fund future activities at the Racecourse. The amount identified in the Draft LTP is an estimate. Figures cannot be finalised until the full scope of feedback on the future of the site is evaluated. This will help form the concept plan and a final design with full costings. We encourage the community and organisations to work with us to formulate a future landscape for the Racecourse property.

## FEEDBACK

What do you think about our proposals?

Find the Feedback from on pp 33 - 34 or online at <https://www.westlanddc.govt.nz/long-term-plan-2021-2031>

### **Council's approach to Climate Change**

Westland District is at risk from increased adverse weather events and sea-level rise because of the effects of Climate Change. Heavy rainfall increases the risk of flooding, erosion and landslides, which is already high in many parts of the district. This could affect all of our communities as we are close to rivers, the mountains and the sea.

Council faces the challenge of ensuring that our assets, particularly 3 Waters and Land Transport are managed with a focus on the risks of Climate Change, which will ensure our communities continue to be resilient. Over the life of the LTP, we aim to provide resilience to our communities by installing generators at water treatment plants and upgrading remote access. We will explore new drinking water sources to prevent infiltration and erosion risks. When building new infrastructure we will consider increased weather intensity and increase capacity in the network. We will continue to work on providing and implementing a masterplan for Franz Josef Township to protect it against the effects of natural hazards.

Our roading network is very vulnerable to Climate Change and natural disasters. Our priority for land transport in preparing the LTP is the identification of critical bridges and culverts and developing renewal management strategies for these key assets, as well as improving the resilience of the Haast-Jackson Bay Road to the effects of sea level rise.

### **Council's Submission to the Climate Change Commission**

We have made a submission to the Climate Change Commission's consultation "Climate Action for Aotearoa" on their proposals for carbon emissions.

Our submission advises that we acknowledge the reality of Climate Change and the science that identifies carbon emissions as a contributing factor to Climate Change. We need urgent and decisive action to achieve emissions reductions. However, if dedicated emissions reductions are not supported by all countries we believe NZ's 0.3% emissions reduction will have little effect.

We are concerned that the proposals will impact on the West Coast and New Zealand way of life. Particularly our economy, ability to heat our homes cost-effectively, and undertaking some recreational activities. Some of the proposals could also affect our ability to continue to work towards resilience in our district.

In our submission, we have asked the Government to support:

- Reconsidering the Waitaha Hydro power scheme to assist the West Coast to generate self-sufficient electricity.
- Consider how a move to electric cars will impact the Coast. We consider this impractical given the terrain, expensive electricity supply and distances between townships.
- Consider the effect of stopping coal production before energy sources have fully transitioned to electricity. There is little sense in importing coal when it is available in NZ.
- The cost of transitioning to electricity on our large industries, for example, Westland Milk Products.
- Environmental factors mean the Coast is best suited to beef and dairy farming, which makes transitioning to other types of farming difficult.
- Expand the equitability principle making the point that the West Coast region already makes a bigger contribution to carbon reduction than others. With greater than 87% of the West Coast under natural forest and another 3% under other forms of forest and vegetation, we are a significant carbon sink.
- Our concern that compliance with the strategy will be devastating to the West Coast region without Government support.

# Our infrastructure

Council has a 30-year Infrastructure Strategy that aims to ensure the infrastructure and services provided by Council are maintained to a high standard. The focus of the strategy is to:

1. Maintain assets at the existing levels of service to deliver reliable services.
2. Fund renewal of current infrastructure appropriately to ensure assets are safe and meet legislative requirements.
3. Ensure critical assets are resilient to disruption so that our communities are safe and provided with essential services.

Where we can we plan to fund projects through external funding from central government and other agencies. We also intend to work in partnership with key stakeholders for opportunities to support co-sharing costs. This approach will ease intergenerational burdens on our ratepayers.

We continue to have ambitious plans for our work-programme. While we always aim to deliver work when we say we will, some of it relies on external parties such as contractors and specialists, and components being available when we need them. Projects sometimes get delayed because our information improves as work starts, such as finding out more about the condition of an asset, which means that plans change. To make sure we can do our best to deliver our core projects when we say we will, we have hired extra staff in our Assets team. Our wider capital programme of Shovel Ready projects is being overseen by contracted Project Managers to keep delivery on-track.

It is critical that we plan carefully to create a sustainable future for our assets. Substantial investment has been made into the maintenance of assets to service the needs and enhance quality of life in the District. We have identified the following significant infrastructure issues for the district:

Significant District issues	Implications	Current strategy
<b>1. Poor delivery of capital programme.</b>	<ul style="list-style-type: none"> <li>• Less than half of the capital programme has been delivered in the last three years.</li> </ul>	<ul style="list-style-type: none"> <li>• Under-resourcing in the activity group has been addressed to ensure that there is enough man-power and specialist knowledge to deliver the capital programme.</li> </ul>
<b>2. Wastewater upgrade costs are significant challenge for Council. Ability to upgrade the Hokitika Wastewater Treatment Plant that meets resource consent conditions and iwi expectations balanced against community affordability.</b>	<ul style="list-style-type: none"> <li>• There is a need to find a cost-effective and mutually acceptable option to upgrade the Hokitika Wastewater Treatment Plant to meet legislative requirements.</li> </ul>	<ul style="list-style-type: none"> <li>• Working in partnership with iwi, Council is exploring upgrading to a mechanical treatment plant. Current external funding only covers a feasibility study and resource consent process. Council will continue to seek external funding to build a new plant. This will be debt funded by Council only if external funding cannot be secured.</li> </ul>
<b>3. Resilience of critical infrastructure.</b>	<ul style="list-style-type: none"> <li>• Infrastructure is exposed to a variety of natural hazards including earthquakes, landslides, flooding, fault line and storms. These natural</li> </ul>	<ul style="list-style-type: none"> <li>• Solutions for current infrastructure in the town.</li> <li>• Over the 10 years of the Long-Term Plan, Council's level of</li> </ul>

	<p>disasters can cause considerable damage to infrastructure assets, affect delivery of service and cut the District off. The rivers in the District are constantly changing.</p> <ul style="list-style-type: none"> <li>• Franz Josef township is prone to flooding from the Waiho River and situated in the Alpine Fault Avoidance Zone.</li> </ul>	<p>funding is ahead of the planned renewals. Council therefore is building up the financial capacity to react if significant breakages occur. As Council gains better information on asset condition, it will always revisit renewals annually. Better information for some areas may be able to be obtained sooner, however some areas e.g. stormwater infiltration/inflow can take years to fully map out the effects. While the LTP forecasts primarily reflect an age-based analysis, and are not based on detailed condition assessment, Council's overall approach is to continue to clear the renewals arrears over the 30 years of the Infrastructure Strategy.</p> <ul style="list-style-type: none"> <li>• Continue to seek external funding to relocate Franz Josef township while undertaking short to medium-term</li> </ul>
<p><b>4. Many of the assets are coming to end of their life at similar period and will need replacement.</b></p>	<ul style="list-style-type: none"> <li>• Investment is required to ensure assets meet the level of service to the community, meet legislative requirements and are resilient to disruption. This needs to be affordable for current and future ratepayers.</li> </ul>	<ul style="list-style-type: none"> <li>• The first 10 years of Council's infrastructure strategy is based on carrying out upgrades and enhancements previously identified with a view that the focus over the next two decades will primarily be maintenance (with the exception of Franz Josef).</li> </ul>

The first 10 years of Council's Infrastructure Strategy is based on carrying out upgrades and enhancements previously identified. The focus over the next two decades will primarily be undertaking risk based renewals based on evidence (using condition and performance data collected), with the exception of Franz Josef services (relocation of township).

Asset	Renewals spend in years 1 – 10 \$000	Renewals spend in years 11 – 20 \$000	Renewals spend in years 21 – 30 \$000
<b>Stormwater</b>	2,007	498	620
<b>Water</b>	7,837	4,941	6,024
<b>Wastewater</b>	13,128	1,523	1,893
<b>Bridges &amp; Structures</b>	8,099	8,943	11,117

Over the 10 years of the Long-Term Plan, Council's level of funding is greater than the planned renewals. This allows us the financial capacity to react if significant breakages occur. We will revisit renewals annually through the annual plan process as we gain better information on asset condition.

### *Three Waters renewals forecasts*

The Council's current risks and limitations of using age, informed by performance are that potential failure of three waters infrastructure may not be identified early enough, or revenue may be allocated to assets that have not aged and Council will need to reprioritise spending to the right area. We acknowledge the need for additional work to complete assessments of the condition of our three waters assets, and the approach for improving condition information that informs the three waters renewal forecasts are currently largely based on the age of Council's assets, and therefore have a higher level of uncertainty.

Infrastructure deteriorates as it ages, increasing the likelihood of failures and disrupting service to customers. These failures also increase maintenance, operations and customer service costs. Planning to renew infrastructure that is reaching or at the end of its life reduces the risk of service interruptions and minimises maintenance costs – assuming the work is carried out as planned.

Currently we have a large backlog of renewals that presents an increased risk of failure and service interruptions for our communities, typically in the area of pipeline renewals. This backlog is subject to significant catch-up following work that we are doing as a result of the three waters reform funding that we have received and improved staff resourcing.

A number of factors affect how we prioritise future renewals. These include criticality (i.e. the potential impact on customers and the environment if an asset fails), age, operating parameters, and our knowledge of the assets' condition. For the most critical assets, the ideal approach is that we understand the condition and rate of deterioration of the specific asset. For less critical assets we can make informed decisions based on what we know about that particular type or 'class' of assets.

Previously, we began a work programme to understand the condition of the most critical assets. This will ensure the risk of their failure is actively managed and reduced, and they are prioritised for renewal accordingly. The most critical assets will be prioritised and Council is able to use their annual planning processes to reprioritise or seek additional funding as required.



*Fox Glacier Water Treatment Plant renewal work*

### *Our levels of service*

This plan continues the focus on and funding of upgrading the three water services that began with the 2018 Long Term Plan. It is anticipated that the Level of Services for infrastructure will be maintained. In some instances, it is going to cost more to continue to provide the same services. Examples of this are the rising costs of road maintenance, the new costs involved in ensuring that drinking water systems comply with the Drinking Water Standards of New Zealand. We have also budgeted for increased costs of environmental requirements such as the Emissions Trading Scheme and the Waste Levy.

Council is seeking to improve its performance in some areas to ensure it achieves its currently stated key performance indicators (see pp X – X of the Draft LTP). For example, extra funding is allocated to improve Council's wastewater services. This includes finding an environmentally and culturally acceptable solution to wastewater disposal in Hokitika.

### **What's going on underground?**

A significant amount of Council's underground pipe networks is made of asbestos concrete that is known to fail. We know that we need to renew these assets to reduce the amount of wasted water being treated and reduce the likelihood of water shutdowns.

We plan to continue to gather evidence about our underground assets so that we can act proactively to renew these assets.

Currently we have a large backlog of renewals that presents an increased risk of failure and service interruptions for our communities, typically in the area of pipeline renewals. This backlog is subject to significant catch-up following work that we are doing as a result of the three waters reform funding that we have received and improved staff resourcing.

### **Caring for our environment and people**

Meeting legislative requirements for safe drinking water and resource consent conditions will continue to be a focus with the provision of and improvements to our water and wastewater treatment plants.

We will develop evidence based strategy and programmes to meet water quality standards under the National Policy Statement for Freshwater Management.

Monitoring for pump failures will reduce wastewater overflows not associated with rain events. Investment to improve the stormwater systems in Hokitika means that flooding should only happen in very severe rain events.

We aim to reduce the amount of waste sent to landfills and encourage recycling and other alternative waste practises. We plan to ensure protection of the environment and people working in and around our open and closed landfills by continuing to meet consent conditions.

### **Our Changing Population**

People in Westland like to live active, outdoor lifestyles. We will continue to improve recreation opportunities in the district to encourage an active lifestyle.

We expect to have more older people living in the district over the lifetime of this plan, and we will work with Waka Kotahi to put more investment into the footpaths as these are essential for people who no longer drive.

### **Keeping the District moving**

We will increase investment in our roads, with assistance from Waka Kotahi to ensure we can preserve the roading assets and prevent further deterioration.

### **Becoming more resilient**

The greatest risk to asset performance is natural disasters. Due to location, topography and geology the intensity and number of natural events impacts on the security of our infrastructure network. These factors raise the risk to Westland communities of business and household disruption and isolation. Therefore, improving the resilience of all the infrastructure network and our ability to have back-up systems like generators is a priority to help alleviate some of these potential risks.

One of our priorities will be to ensure that our building assets, including Council Headquarters, Pakiwaitara and the Carnegie Building are earthquake strengthened.

Council does not budget for specific natural disaster events. Instead, our focus is on ensuring our assets have capacity to mitigate impacts.

Some of our critical infrastructure is at risk from potential climate change impacts, particularly from increased rain and coastal hazards. This is considered when designing new infrastructure. Projects are prioritised by what funding is available.

Haast-Jackson Bay Road is of significant concern and has been impacted by coastal erosion and slips. Improvements to the road have been included in the Regional Land Transport Plan, submitted to Waka Kotahi for consideration.

### **Supporting continued tourism activities**

While the downturn in tourism is significant and is not expected to improve in the short to medium term, domestic tourists are attracted to the region to use the West Coast Wilderness Trail. We intend to continue to invest in this asset to support tourism activities and recreation activities.

Full details can be found in our Infrastructure Strategy on pp 183 - 252 of the Draft LTP.

## Taking care of our assets

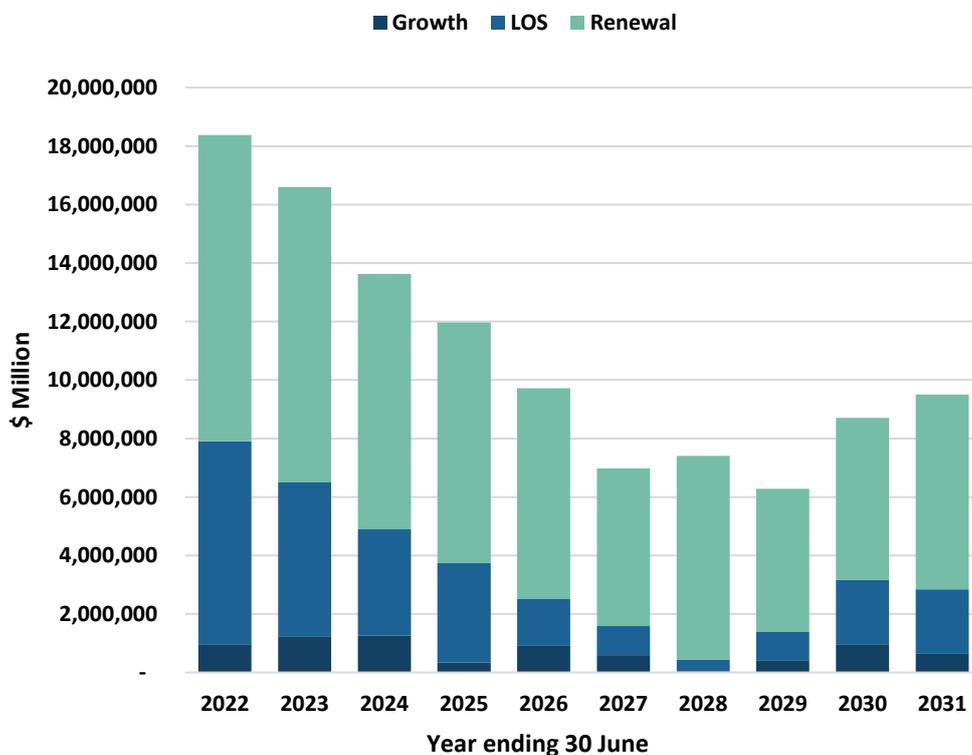
Assets are the biggest investment for the community. In the next 10 years we plan to spend \$74 million on replacing assets to keep the district running smoothly. This is about 68% of the proposed 10 year capital budget.

We will be spending this on:

- Maintaining footpaths and roads, replacing bridges and structure components, work on culverts and drainage facilities.
- Replacing water, wastewater and stormwater pipes, mains and sewers.
- Upgrading stormwater pumps.
- Capping landfill cells and maintaining township rubbish bins.
- Maintenance and improvements to parks, playgrounds and recreation facilities, public toilets, cemeteries,

This chart shows our planned spending on replacements, improvements, and growth (completely new things) over the next 10 years.

### Capital Spend on Assets 2022 - 2031



#### Did you know?

We are considering options to change the way we deal with glass collection. When we know more about the options we will want to talk to the community.

“Maintaining the status quo for our infrastructure is a minimum objective for me.

Every year footpaths are a major discussion point. With an elderly population we require an increase in the quality of our footpaths and this plan looks to achieve that.”

*Bruce Smith, Westland Mayor*

## Projects in detail

Proposed spending on capital projects over the next 10 years will keep Westland District running efficiently and address challenges such as asset maintenance, Three Waters Reform and climate change. We want to make sure that every bit of spending provides value to our ratepayers and communities by making sure that our assets are resilient and meet legislative requirements. What we spend now to fix ageing assets will reduce the likelihood of extra spending in the future.

About 58% of this spending is going to be on continuing business as usual and making sure that the district runs smoothly. This means repairing roads, maintaining bridges, water and wastewater networks and stormwater pipes.

We have also planned to make improvements where we see that this will be valuable to our communities. Some of the major projects are outlined below.

Activity	Project	10-Year Cost \$000	Timeframe
Land Transport	Road resealing	11,651	Years 1 - 10
Land Transport	Bridge replacement and maintenance	5,549	Years 1 - 10
Drinking Water	Franz Josef - New Water Treatment Plant	3,610	Years 8 - 10
Drinking Water	District wider Water mains replacements	3,063	Years 1 - 10
Stormwater	Hokitika mains replacement	888	Years 1 – 5, 7 & 9
Stormwater	Kaniere pipeline investigations and upgrade	138	Years 1 – 2
Stormwater	Hokitika – Livingstone Street pump upgrade	1,608	Years 1, 4 & 7
Wastewater	Hokitika – Wastewater treatment and disposal	13,409	Years 1 – 5
Wastewater	District Wide Wastewater mains replacement	3,627	Years 4,6,7 & 10
Wastewater	Haast – Wastewater Treatment Plant upgrade	1078	Years 6 & 8
Wastewater	Hokitika – Wastewater reticulation and CCTV	250	Year 1
Parks & Reserves	Hokitika Beachfront stage 2 - Beach access, landscaping & relocate FENZ practise equipment	262	Years 1 – 2
Parks & Reserves	Playground upgrades – Ross, Whataroa, Cass Square, Kumara and Haast	664	Years 1 – 10
Land & Buildings	Carnegie Building – earthquake strengthening	200	Year 1
Wilderness Trail	Lake Kaniere Stage 2	1,606	Years 5 & 6
Wilderness Trail	Mahinapua Loop	4,473	Years 8 - 10

### Achieving the Capital Plan

Whilst Council has had a poor track-record of completion of projects in the past, we are confident that with an increased level of staffing in our assets team, we have better capacity in-house to achieve our capital works programme. To ensure we can plan ahead in areas that require resource consents, we use specialist software that alerts us within specified timeframes to any actions that we need to take. The consents that require the most input are related to wastewater treatment plants. Hokitika Wastewater Treatment Plant is undergoing a feasibility study with finances budgeted over the next five years for renewal.

Being a small and remote district, we cannot always source specialist skills locally and have to source contractors from other areas. There is always a risk that the people we need are not available when we need them. This can lead to delays in completing projects. With our increased man-power in-house we have the ability to plan better and earlier and reduce this risk.

Some of the projects that we have in our capital programme rely on external funding and there is always a risk that we will not receive the funding that we have budgeted for. In some cases this means that we will have to revise our plans or cancel the project.

# Water Reform and the LTP

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Whatever decision central government makes in the future about Council's Three Waters programme, one thing will not change – Communities will still need three waters services.

While we have signed the Memorandum of Understanding with central government to explore the future of delivery options, we have developed this plan on the basis that Council will be responsible for three waters for the foreseeable future. The financial information, significant assumptions and Infrastructure Strategy reflect this.

Under the MoU, central and local government agreed to work together to identify approaches that consider the following design features:

- water service delivery entities, that are:
  - of significant scale (most likely multi-regional) to enable benefits from aggregation to be achieved over the medium to long-term;
  - asset owning entities, with balance sheet separation to support improved access to capital, alternative funding instruments and improved balance sheet strength; and
  - structured as statutory entities, with competency-based boards;
- delivery of drinking water and wastewater services as a priority (the approach to stormwater is still being determined);
- water entities would be publicly owned entities, with a preference for collective council ownership, and protections against privatisation; and
- mechanisms for enabling communities to provide input in relation to the new entities.

The December 2020 Cabinet paper - *Progressing the three waters service delivery reforms* - has further added to this information base, by clarifying that:

- the Government is expecting to make substantive policy decisions relating to the reforms in April/May 2021, to enable legislation to be prepared for introduction later that year - including decisions on:
  - the main design features of the new water services entities; and
  - the number and boundaries of these entities;
- there would continue to be a voluntary, partnership-based approach to reform, in which:
  - local authorities would be asked to decide to participate in the new
  - service delivery system in late 2021;
  - this decision would be in the form of an 'opt-out' approach, whereby all affected councils would be included in one of the new water service delivery entities by default, but can decide not to continue to participate (in consultation with their communities);
- central government would provide councils with a package of supporting information ahead of the decision-making window,
- including details on the entity design proposals (e.g. ownership and governance arrangements), financial and other implications of
- participating, and which entity each council would be part of;
- Parliament will be asked to consider legislation - in mid-2021 - that removes statutory obstacles to councils making a decision of this kind, and enables
- community consultation in a manner that is appropriate for this situation;
- central government would use a nationwide public information and education campaign to provide a national picture of the case for change;

- for councils that participate in the reforms, any transfer of responsibilities, assets, etc. is likely to occur from 2023/4;
- there will be a much stronger regulatory system for water services, with enhanced enforcement of drinking water regulation, stronger environmental
- regulation, and the likely introduction of economic regulation.

### Find out more

*Central / Local Government Three Waters Reform Programme:*

<https://www.dia.govt.nz/Three-Waters-Reform-Programme>

*Three Waters Reform Programme timeline:*

[https://www.dia.govt.nz/diawebsite.nsf/Files/Three-waters-reform-programme/\\$file/Reform-timeline-December-2020.pdf](https://www.dia.govt.nz/diawebsite.nsf/Files/Three-waters-reform-programme/$file/Reform-timeline-December-2020.pdf)

### Did you know?

We have to pay for emissions credits on the greenhouse gasses emitted by our landfills. This is the Emissions Trading Scheme (ETS). We estimate that we will need to buy 2500 tonnes of credits each year. By 2025 we expect the price of these credits to reach \$45 each.

As we send less waste to landfill the lower the cost will be for ratepayers.

“Minimising the waste going to landfill is a brilliant investment for the ratepayer.”

*Bruce Smith, Westland Mayor*

### Did you know?

It only costs about \$7 to take 150kg of green waste to the weighbridge transfer station.

# 10 year budget

Activities and services	Capital Costs \$000	Operating costs \$000	Funded by		\$ amount / 100
			% rates	% other (incl fees and charges)	
<b>Leadership</b>	\$3,114	\$ 100,980	12%	88%	<b>\$5</b>
<b>Planning and regulatory</b>	\$1,329	\$36,249	64%	36%	<b>\$10</b>
<b>Community services</b>	\$1,819	\$17,675	85%	15%	<b>\$7</b>
<b>Facilities, and Leisure Services</b>	\$28,757	\$53,976	60%	40%	<b>\$22</b>
<b>Land Transport</b>	\$39,725	\$80,522	29%	71%	<b>\$15</b>
<b>Drinking Water</b>	\$10,996	\$40,083	79%	21%	<b>\$18</b>
<b>Stormwater</b>	\$3,042	\$10,320	77%	23%	<b>\$5</b>
<b>Wastewater</b>	\$19,154	\$20,892	49%	51%	<b>\$9</b>
<b>Solid Waste</b>	\$1,233	\$29,318	69%	31%	<b>\$9</b>

Councils are required to operate a 'balanced budget', where income equals expenditure. In some circumstances, section 100 of the Local Government Act allows us to set an 'unbalanced budget', where the income we receive does not equal the expenditure planned.

We will have a balanced budget for all years of the plan, with income exceeding expenditure planned.

## Did you know?

We are planning to spend \$664,000 over the next 10 years to maintain and upgrade the playgrounds in the District.

"What I get for my rates is incredible value for money when I compare it to other services such as electricity. I get so much more for my money each month with rubbish collection, water services and all of the other Council services."

*Bruce Smith, Westland Mayor*

# Rates

Anyone who owns land pays rates on the property. Council sets the level of rates based on feedback from the community about what services and facilities they want.

If we do everything we have proposed in our draft budgets, there will be an overall rate increase of 13% in the first year of the Long Term Plan. After this the increases range from 1.2% to 12.5% over the following 9 years.

So that the community knows what to expect over the life of the plan, our Finance Strategy limits our rates increases to 5% each year. To provide all of our services and continue to improve our infrastructure assets we will have to impose a rate increase above this limit in the first three years of this plan. We acknowledge that increases above 5% are not sustainable in the long-term and increases from the fourth year of the plan are within the 5% limit.

While the rate increase in the first year seems high, a combination of last year's zero rates increase, legislative changes, and community expectations mean that we have to take this step. We need to ensure that our three waters systems are a high standard to support community health and these projects require an increase in staff and other expenditure. The more the district grows the more assets and infrastructure we have to take care of.

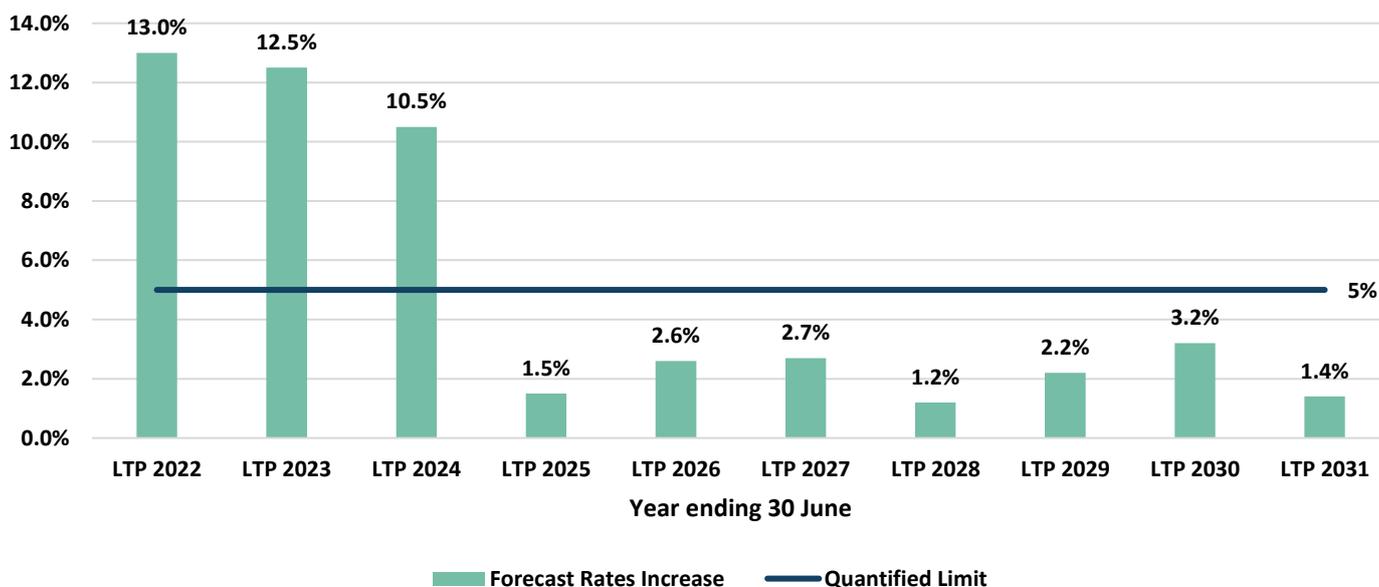
Breaching our 5% rates limit is necessary in the first three years to undertake the work outlined above. In the following seven years increases will be below 5% and we aim to keep rates as affordable as possible.

These charts explain what we are proposing for rates.

“For me, affordability comes down to ensuring we have a strong economy that pays good wages and allows the investment in rates to cover the expectations of the community.

*Bruce Smith, Westland Mayor*

### Forecast Rates Increase 2021 - 2031



Full details can be found in our Financial Strategy on pp 174 - 182 of the Draft LTP.

Here are some reasons our costs have increased

### Public Toilets and Responsible Camping

The number of toilet pans across the district increased by 23 pans since 2017 with a total of 56 toilet pans in 2020. Some of the toilet cleaning used to be done by volunteers but we are now paying to have them cleaned – this means that we can set a standard. Some of the toilets are being cleaned more frequently than before.

Funding has also been allocated to servicing Responsible Camping sites, including contracts for toilet cleaning and disposables.

### Getting the work done

If we want to continue to improve our services and undertake big projects we need to hire more staff. We intend to increase our staff to 61 full-time and 10 part time staff in 2021/2022. This will cost \$291,000.

We also invest in staff through training and working conditions, which helps to retain quality staff and reduce our recruitment costs. In some areas of the business, staff are required to have specific qualifications and skills. We consider it an investment in our business to ensure staff have the appropriate qualifications to do their work.

In some of our activities, we need specialist knowledge to assist our staff to carry out projects or to meet statutory requirements. In these situations, we will use consultants to help us carry out our work.

### Refuse Management

Refuse management is contracted out to specialist companies who run our landfills, transfer stations and rubbish collection. The cost of the contracts for these services has increased.

### Waste Levy

Central Government is increasing the Waste Levy each year up to \$60 per tonne of rubbish. We have to pay this on the rubbish in our landfills. Just like the Emissions Trading Scheme, the less rubbish we sent to landfill the less we will have to pay.



### Insuring our assets

Insurance premium rates have increased across all of our insurance policies, particularly in liability insurance. This is a standard business cost that we keep as low as possible through taking part in a South Island Council collective procurement of insurance policies.

### Information technology and management

As we improve our business practices and technology we have to pay greater costs for software licences and support contracts for the services. With the return of the Museum activity to the Council we also have to pay for specialist software that museum staff use.

Our information management costs include secure document storage and destruction while we continue to move towards greater digitization of our information.

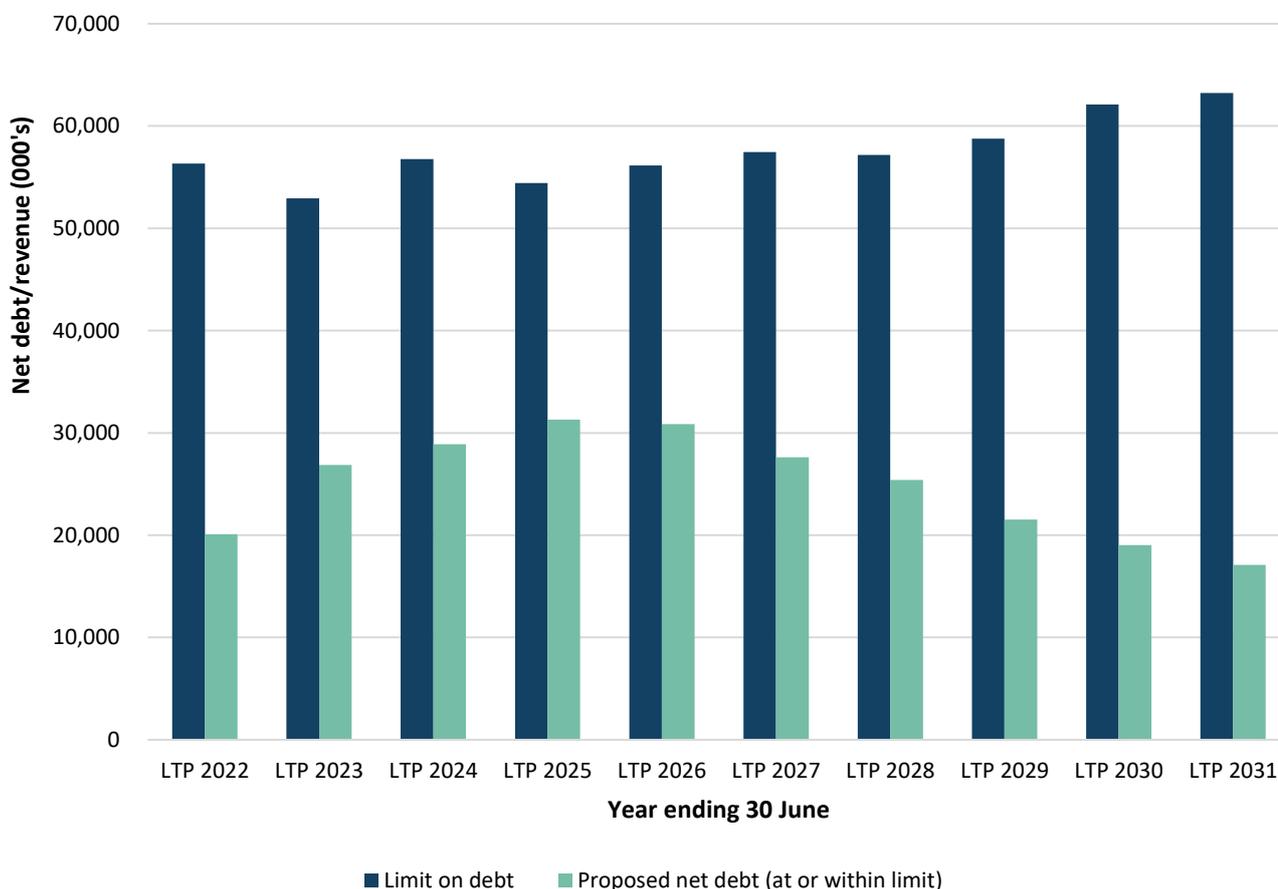
# Borrowing

We have to decide how we fund and when we fund our programme of works over the 10-years of the LTP. This is set out in our Financial Strategy. Council directs that debt should only be used to finance new or upgraded assets, however, some loan funding throughout the life of the plan for renewal expenditure may be required. Renewals will be funded through depreciation reserves where there are reserves available. Low value assets will be funded through rates. Each tranche of debt is to be repaid over a period of 20 years. ensuring that the cost is spread over more than one generation of users.

We are a member of the Local Government Financing Agency as a guarantor borrower. This gives us a borrowing limit of up to 175% of net debt to revenue. Net debt is borrowing requirements minus cash reserves built up for asset renewals.

Over the life of the plan our debt is predicted to remain within the 175% net debt/revenue.

Proposed Borrowing



Full details can be found in our Financial Strategy on pp 174 - 182 of the Draft LTP.

# Where our funding comes from

Rate type	Area	Capital Valuation	2020/2021 Rates	UAGC @21.7%			UAGC @17.5%			UAGC @12.5%		
				Draft 2021/2022 Rates	Variance	Percentage Variance	Draft 2021/2022 Rates	Variance	Percentage Variance	Draft 2021/2022 Rates	Variance	Percentage Variance
Rural	Bruce Bay	785,500	2,069.45	2,130.08	60.63	2.93%	2,199.62	130.17	6.29%	2,282.40	212.95	10.29%
Commercial	Bruce Bay	1,060,000	6,010.74	5,590.48	(420.26)	-6.99%	5,994.00	(16.74)	-0.28%	6,474.38	463.64	7.71%
Rural Residential	Bruce Bay	830,000	1,811.74	1,816.23	4.49	0.25%	1,844.47	32.73	1.81%	1,878.08	66.34	3.66%
Commercial	Fox Glacier	670,000	5,248.38	5,206.62	(41.76)	-0.80%	5,414.49	166.11	3.17%	5,661.96	413.58	7.88%
Residential	Fox Glacier	640,000	2,891.11	2,971.66	80.55	2.79%	3,004.16	113.05	3.91%	3,042.85	151.74	5.25%
Rural	Fox Glacier	800,000	1,587.01	2,433.53	846.52	53.34%	2,456.11	869.10	54.76%	2,483.00	895.99	56.46%
Rural Residential	Fox Glacier	86,000	1,097.48	1,116.32	18.84	1.72%	1,004.29	(93.19)	-8.49%	870.93	(226.55)	-20.64%
Rural	Franz Josef	420,000	1,368.77	1,458.53	89.76	6.56%	1,409.47	40.70	2.97%	1,351.07	(17.70)	-1.29%
Rural Residential	Franz Josef	300,000	1,312.73	1,298.37	(14.36)	-1.09%	1,226.68	(86.05)	-6.55%	1,141.35	(171.38)	-13.06%
Commercial	Franz Josef	960,000	7,159.29	7,037.61	(121.68)	-1.70%	7,390.96	231.67	3.24%	7,811.62	652.33	9.11%
Residential	Franz Josef	420,000	2,425.85	2,443.56	17.71	0.73%	2,420.80	(5.05)	-0.21%	2,393.71	(32.14)	-1.32%
Residential	Haast	280,000	2,017.54	1,986.94	(30.60)	-1.52%	1,929.03	(88.51)	-4.39%	1,860.08	(157.46)	-7.80%
Commercial	Haast	1,290,000	6,517.32	6,466.81	(50.51)	-0.77%	6,985.72	468.40	7.19%	7,603.46	1,086.14	16.67%
Rural	Haast	80,000	977.57	914.27	(63.30)	-6.48%	806.17	(171.40)	-17.53%	677.48	(300.09)	-30.70%
Rural Residential	Haast	290,000	1,181.62	1,154.26	(27.36)	-2.32%	1,080.69	(100.93)	-8.54%	993.11	(188.51)	-15.95%

Rate type	Area	Capital Valuation	2020/2021 Rates	UAGC @21.7%			UAGC @17.5%			UAGC @12.5%		
				Draft 2021/2022 Rates	Variance	Percentage Variance	Draft 2021/2022 Rates	Variance	Percentage Variance	Draft 2021/2022 Rates	Variance	Percentage Variance
Rural	Harihari	2,070,000	4,579.14	4,791.03	211.89	4.63%	5,184.00	604.86	13.21%	5,651.82	1,072.68	23.43%
Residential	Harihari	130,000	1,311.00	1,291.96	(19.04)	-1.45%	1,196.37	(114.63)	-8.74%	1,082.57	(228.43)	-17.42%
Commercial	Harihari	250,000	2,932.22	2,872.46	(59.76)	-2.04%	2,869.63	(62.59)	-2.13%	2,866.27	(65.95)	-2.25%
Rural Residential	Harihari	196,000	965.00	1,049.23	84.23	8.73%	957.94	(7.06)	-0.73%	849.26	(115.74)	-11.99%
Rural	Hokitika	460,000	1,536.11	947.60	(588.51)	-38.31%	1,063.43	(472.68)	-30.77%	1,201.31	(334.80)	-21.80%
Rural Residential	Hokitika	510,000	1,970.82	2,062.45	91.63	4.65%	2,030.36	59.54	3.02%	1,992.15	21.33	1.08%
Residential	Hokitika	390,000	2,884.24	2,948.47	64.23	2.23%	2,918.18	33.94	1.18%	2,882.12	(2.12)	-0.07%
Commercial	Hokitika	470,000	6,765.04	6,610.74	(154.30)	-2.28%	6,718.28	(46.76)	-0.69%	6,846.31	81.27	1.20%
Rural	Kumara	12,000	858.73	840.94	(17.79)	-2.07%	715.72	(143.01)	-16.65%	566.65	(292.08)	-34.01%
Residential	Kumara	155,000	1,723.76	1,708.07	(15.69)	-0.91%	1,618.76	(105.00)	-6.09%	1,512.43	(211.33)	-12.26%
Commercial	Kumara	170,000	3,015.70	2,865.88	(149.82)	-4.97%	2,822.92	(192.78)	-6.39%	2,771.78	(243.92)	-8.09%
Rural Residential	Kumara	182,000	1,326.39	1,310.13	(16.26)	-1.23%	1,216.21	(110.18)	-8.31%	1,104.39	(222.00)	-16.74%
Rural	Ross	277,000	1,574.04	1,594.84	20.80	1.32%	1,536.35	(37.69)	-2.39%	1,466.71	(107.33)	-6.82%
Rural Residential	Ross	750,000	2,392.72	2,576.25	183.53	7.67%	2,589.41	196.69	8.22%	2,605.07	212.35	8.87%
Residential	Ross	210,000	2,062.54	2,065.78	3.24	0.16%	1,990.28	(72.26)	-3.50%	1,900.41	(162.13)	-7.86%
Commercial	Ross	910,000	4,949.59	5,117.33	167.74	3.39%	5,445.60	496.01	10.02%	5,836.40	886.81	17.92%
Rural	Whataroa	1,050,000	2,586.43	2,693.55	107.12	4.14%	2,829.69	243.26	9.41%	2,991.76	405.33	15.67%
Rural	Whataroa	320,000	1,242.61	1,250.66	8.05	0.65%	1,182.74	(59.87)	-4.82%	1,101.90	(140.71)	-11.32%
Commercial	Whataroa	235,000	2,385.67	2,222.92	(162.75)	-6.82%	2,212.57	(173.10)	-7.26%	2,200.25	(185.42)	-7.77%
Residential	Whataroa	90,000	1,446.21	1,347.82	(98.39)	-6.80%	1,242.18	(204.03)	-14.11%	1,116.43	(329.78)	-22.80%

# Fees and Charges

Most of our fees and charges remain the same as in our most recent Annual Plan 2020/2021. There are some changes to what we will be charging as we continue to take a user-pays approach where the benefit is to particular groups or individuals and not to the whole community.

## Changes to our Fees and Charges

Property Files			
	Was	Proposed new charge	
Property File	N/A	\$30 per file request	
Westland Library			
	Was	Proposed new charge	
Book reserve fee	\$1.00	FREE	
Computer print outs: single side A4 – colour	N/A	\$2.60	
Photocopying	N/A	See corporate services charges	
Room Hire			
	Was	Proposed new charge	
History Room	\$10 per hour	\$15 per hour	
Digital Learning Centre	\$20 per hour \$30 for 4 hour block \$50 for 8 hour block	\$25 per hour \$50 for 4 hour block \$80 for 8 hour block	
Hokitika Museum			
	Was	Proposed new charge	
Admission fee			
Youth (visitors) (1 years - 16 years)	School age 5 – 15 \$3.00	FREE	
Research			
Filming under supervision	N/A	\$75/hour	
Reproduction/Reprint of collection items	N/A	\$30 per ½ hour plus reprint costs	
Photographs			
Laser copy on card	A5/A4: A3: \$12	\$8.00 A5/A4: A3: \$15	\$10.00

Digital image	Digital image – \$40 High resolution TIF	\$20
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Flash drive for supply \$10 per 4GB flash drive. No extra At Cost charges beyond image charges.

**Reproduction fees** The following charges are for reproduction of Museum items for the purposes below, and are additional to the above charges

Imagery for reproduction	Multiple charges	\$100
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### Hokitika Swimming Pool

	Was	Proposed new charge
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#### 3 month pass

Adult	N/A	\$85
Senior Citizen (60+)	N/A	\$65
Child at school	N/A	\$50

#### AquaFit Classes (includes entry to the swimming pool)

##### Single Class

Adult	N/A	\$6.50
Senior Citizen (60+)	N/A	\$5.50
Child at school	N/A	\$4.50

#### Concession Ticket – 10 Classes

Adult	N/A	\$60
Senior Citizen (60+)	N/A	\$50
Child at school	N/A	\$40

### Baches on Unformed Legal Road

	Was	Proposed new charge
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Annual Site Fee	\$2,050	\$2300
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### Animal Control

#### Dog control

##### Standard Registration

	Was	Proposed new charge
Certified Disability Assist Dog	Standard registration fee	NIL

##### Dog Impounding Fees

Feeding per day	\$26	\$30
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##### Impounding Act

Stock poundage and Cattle, horse, deer, mule sustenance Fees	\$25/head/day	\$30/head/day
Sheep, goats, pigs, other animals:	\$5/head/day	\$10/head/day

<b>LGA Activities</b>		
	<b>Was</b>	<b>Proposed new charge</b>
<b>Trading in Public Places (hawkers and mobile Shops)</b>		
1 October to 31 March only	\$350	\$350
50% penalty fee for trading outside of this period		50% penalty fee for trading outside of this period
<b>Resource Management</b>		
	<b>Was</b>	<b>Proposed new charge</b>
Preparation and change to the District Plan (deposit)	\$7,500	\$10,000
<b>General &amp; Certificates</b>		
s224 Approval fee	\$300 plus staff time if inspection required	\$600 plus staff time if inspection required
s223 and s224 approval combined	\$400 plus staff time if inspection required	\$700 plus staff time if inspection required
Release of covenants, caveats, encumbrances and other title instruments	\$450 plus applicable legal fee	\$500 plus applicable legal fee
<b>Designations</b>		
Consideration of waiving outline plan	\$400	\$500
<b>Personnel Time</b>		
Administration staff time per hour	\$125/hr	\$145/hr
<b>Compliance</b>		
Issue of abatement notice: fixed fee	\$600	\$800
<b>Recreation Contribution</b>		
Per allotment	Minimum charge \$2,000 Maximum charge \$5,000	Minimum charge \$1,000 Maximum charge \$3,000
<b>Building Consent Activity</b>		
	<b>Was</b>	<b>Proposed new charge</b>
Online processing charge	\$75	\$86
Freestanding Spaceheater		
Additional processing	N/A	\$150 per hour
<b>Other</b>		
Fee to reinstate a refused CCC (incl 12 month extension)	Res 1 – 3 \$509 Com 1 – 3 \$665	All other consent types \$306

Insurance Levy	Residential buildings and accessory buildings	Residential, Commercial and accessory buildings
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#### Receiving and Checking Building Warrant of Fitness

On or before due date	\$90	\$150
After due date	\$180	\$240
Additional processing	N/A	\$150 per hour

#### Jackson Bay Wharf Charges (prices exclude GST)

**Commercial Fishing Vessels operating from the Wharf for discharge of wet fish and / or crayfish must have a licence to occupy.**

#### Annual Charge

	Was	Proposed new charge
Vessels over 13.7 metres (45 feet)	\$4,000	\$4,400
Vessels between 9.1 metres and 13.7 metres (30-45 feet)	\$1,500	\$1,650
Vessels up to 9.1 metres (30 feet)	\$1,000	\$1,100
Casual users landing wet fish (per tonne)	\$23	\$25.30
Casual users landing crayfish (per tonne)	\$300	\$330

#### Other Vessels (not discharging) must pay a daily charge (24 hours) as below

Vessels over 13.7 metres (45 feet)	\$250	\$275
Vessels between 9.1 metres and 13.7 metres (30-45 feet)	\$200	\$220
Vessels up to 9.1 metres (30 feet)	\$100	\$110

#### Solid Waste

Hokitika transfer station	Was	Proposed new charge
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#### General Waste

Per tonne	\$475	\$500
60L bag	\$4.00	\$4.20

#### Green Waste

Per tonne	\$46	\$48.30
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#### Non Weighbridge Sites

	Was	Proposed new charge
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#### Uncompacted General Waste

Per Cubic Metre small loads < 0.5m <sup>3</sup>	\$65	\$68.25
Per Cubic Metre large loads > 0.5m <sup>3</sup>	\$95	\$100
60L bag	\$4.00	\$4.20
120L Wheelie Bin	\$8.00	\$8.40
240L Wheelie Bin	\$16	\$16.80
Small Trailer /Ute (0.68m <sup>3</sup> )*	\$65	\$68.25

Medium Trailer (0.91m <sup>3</sup> )*	\$90	\$94.50
Cage or Large Trailer (2.7m <sup>3</sup> )*	\$260	\$273
<b>Rubbish &amp; Recycling receptacles</b>	<b>Was</b>	<b>Proposed new charge</b>
Additional rubbish and recycling bins (maximum 2 x sets of bins per household)	\$190	\$200
Replacement recycling bin 240 L	\$95	\$100
Replacement rubbish bin 120 L	\$85	\$90

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# Making your voice heard

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*Making a submission on Council's proposed Long Term Plan is your opportunity to have your say and make your voice heard.*

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We want to know what you think of our proposals to help us to make the best decisions.

For more information, visit <https://www.westlanddc.govt.nz/long-term-plan-2021-2031> or speak to our customer service staff at Council reception in Hokitika, or visit the Westland District Library.

## Ways to have your say

### **Online**

Find the submission form at <https://www.westlanddc.govt.nz/draft-ltp-2021-2031-submission-form>

Fill it in and click send.

### **Email**

You can send an email with your submission or the completed submission form to:

[consult@westlanddc.govt.nz](mailto:consult@westlanddc.govt.nz)

### **In the mail**

Send us a letter or printed submission form:

LTP submission  
Westland District Council  
Private Bag 704

### **Speak to your local Councillor**

Come and have a conversation with Councillors and staff at our Roadshow. See our website for details of where and when.

**Submissions close at noon on Friday, 11 June 2021**

## **Speak at our submission hearings**

Come and speak to all our Councillors in the public forum.

We are holding hearings on **15 – 16 June** in our Council Chambers at 36 Weld Street Hokitika.

Register to speak on your submission form or by contacting us on 03 474 9010.

# Feedback Form

**Submissions close 12 pm Friday, 11 June 2021 - Submissions Hearings: Tuesday 15 & Wednesday 16 June 2021**

Please **scan and email** this form to the Council. **Email:** [consult@westlanddc.govt.nz](mailto:consult@westlanddc.govt.nz)

You can also **call** us with your submission and use the form to help you.

**Phone:** 03 756 901

**Freephone:** 0800 474 834

Name \_\_\_\_\_

Organisation (if applicable) \_\_\_\_\_

Email \_\_\_\_\_

Address \_\_\_\_\_

I would like to speak to Council about my submission  Y  N

If yes, please provide a contact phone number \_\_\_\_\_

## Which options do you think will benefit the community the most?

### Setting the right level of Uniform Annual General Charge

I support lowering the charge to 17.5%  Yes  No

I support lowering the charge to 12.5%  Yes  No

I support leaving the charge at 21.7%  Yes  No

### Ownership of Elderly Housing

I support transferring the assets to Destination Westland Limited  Yes  No

I do not support transferring the assets to Destination Westland Limited  Yes  No

### Upgrading Hokitika Swimming Pool

I support completing Stage 3 of the swimming pool upgrade  Yes  No

I do not support Stage 3 of the swimming pool upgrade  Yes  No

### Rates Remission – Adverse Possession

I support adopting the Rates Remission – Adverse Possession Policy  Yes  No

I do not support adopting the Rates Remission – Adverse Possession Policy  Yes  No

**What do you think about our proposals in the Consultation Document and Long Term Plan?**

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**Any other comments?**

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*More pages can be attached if necessary.*

Your name and feedback will be made public as part of Council’s decision making process. This information will be published on our website, but will only be used for the Long Term Plan process.

Remember, your feedback must reach the Council by **noon on Friday, 11 June 2021** to be considered.

Thank you for your feedback.

# Independent Auditor's Report

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## To the reader:

### **Independent auditor's report on Westland District Council's consultation document for its proposed 2021-31 long-term plan**

I am the Auditor-General's appointed auditor for Westland District Council (the Council). The Local Government Act 2002 (the Act) requires the Council to prepare a consultation document when developing its long-term plan. Section 93C of the Act sets out the content requirements of the consultation document and requires an audit report on the consultation document. I have done the work for this report using the staff and resources of Audit New Zealand. We completed our report on 7 May 2021.

## **Opinion**

In our opinion:

- the consultation document provides an effective basis for public participation in the Council's decisions about the proposed content of its 2021-32 long-term plan, because it:
  - fairly represents the matters proposed for inclusion in the long-term plan; and
  - identifies and explains the main issues and choices facing the Council and district, and the consequences of those choices; and
- the information and assumptions underlying the information in the consultation document are reasonable.

## **Emphasis of matters**

Without modifying our opinion, we draw attention to the following disclosures.

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

Page 4 outlines that the Council is proposing a capital programme of \$109 million over the next 10 years. The chart on page 18 presents significant planned spending during the first two years. While the Council has taken steps to deliver its planned capital programme, there is uncertainty over the delivery of the programme, due to the availability of contractors and external funding, as outlined on page 19. If the Council is unable to deliver on a planned project, it could affect intended levels of service.

### **Uncertainty over the three waters renewals forecasts**

Page 16 outlines that the Council's forecasting for three waters assets is largely based on age. Using age-based information, rather than condition information, increases the risk that assets requiring renewal are not identified early and prioritised accordingly. The Council started a programme to

understand the condition of its most critical assets, which will reduce this risk. The Council also plans to prioritise renewals of critical assets.

### **Uncertainty over three waters reforms**

Page 20 outlines the Government's intention to make three waters reform decisions during 2021. The effect that the reforms may have on three waters services provided is currently uncertain because no decisions have been made. The consultation document was prepared as if these services will continue to be provided by the Council, but future decisions may result in significant changes, which would affect the information on which the consultation document has been based.

### **Basis of opinion**

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

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

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

### **Responsibilities of the Council and auditor**

The Council is responsible for:

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

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

### **Independence and quality control**

We have complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 issued by the New Zealand Auditing and Assurance Standards Board; and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended) issued by the New Zealand Auditing and Assurance Standards Board.

In addition, to this audit and our report on the Council's 2019/20 annual report, we have carried out an engagement in respect of the Council's Debenture Trust Deed, which is compatible with those independence requirements. Other than these engagements we have no relationship with or interests in the Council or any of its subsidiaries.



Chantelle Gernetzky  
Audit New Zealand  
On behalf of the Auditor-General, Christchurch, New Zealand

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