

AGENDA

RĀRANGI TAKE

NOTICE OF AN ORDINARY MEETING OF

COUNCIL

to be held on **Thursday 28th of March 2024** commencing at **1 pm** in the Council Chambers,
36 Weld Street, Hokitika and via Zoom

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



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

Council Vision

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

Purpose

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

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

1. KARAKIA TĪMATANGA OPENING KARAKIA

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

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

2. NGĀ WHAKAPAAHA APOLOGIES

3. WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

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

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

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

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

- (7) An item that is not on the agenda for a meeting may be dealt with at the meeting if –
 - (a) the local authority by resolution so decides, and
 - (b) the presiding member explains at the meeting at a time when it is open to the public, -
 - (i) the reason why the item is not on the agenda; and
 - (ii) the reason why the discussion of the item cannot be delayed until a subsequent meeting.
- (7A) Where an item is not on the agenda for a meeting, -
 - (a) that item may be discussed at the meeting if –
 - (i) that item is a minor matter relating to the general business of the local authority; and
 - (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but

(b) No resolution, decision, or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.

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

MINUTES TO BE CONFIRMED:

- **Ordinary Council Meeting Minutes – 22nd February 2024** (Pages 6 – 17)

MINUTES TO BE RECEIVED:

- **Cycling and Walking Subcommittee Meeting Minutes – 16th November 2023** (Pages 18 – 22)
- **CE Review Committee Meeting Minutes – 20th July 2023** (Pages 23 – 24)

6. **RĀRANGI HOHENGA ACTION LIST**

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7. **NGĀ TĀPAETANGA PRESENTATIONS**

- **QV – Westland District Revaluation Overview 2023 Presentation -**
Kris Rodgers and David Shaw, Quality Valuations (1.10 pm – 1.40 pm)
- **West Coast Wilderness Trail Performance Report 2023 –**
- **West Coast Wilderness Trail Economic Assessment and Performance Report 2023 -**
Jackie Gurden, Chair West Coast Wilderness Trail (1.40 pm – 2.10 pm)

8. **PŪRONGO KAIMAHI STAFF REPORTS**

- **Financial Performance Report – February 2024** (Pages 26 – 41)
Cody Nabben, Graduate Accountant
- **Adoption of the Draft Annual Plan 2024/2025 and Draft Consultation Document -**
Emma Rae, Strategy and Communications Advisor (Pages 42 – 182)
- **Streamlined Consultation Proposal for the Amalgamation of Westland Holdings Ltd and
Destination Westland Ltd -** (Pages 183 – 191)
Lesley Crichton, Group Manager Corporate Services & Risk Assurance
- **Approval to Apply for Extension to Current Procurement Strategy -** (Pages 192 – 282)
Karl Jackson, Transportation Manager
- **Franz Josef/Waiiau Rating District – Changes to Joint Committee Agreement -**
Simon Bastion, Chief Executive Officer (Pages 283 – 294)

9. KA MATATAPU TE WHAKATAUNGA I TE TŪMATANUI

RESOLUTION TO GO INTO PUBLIC EXCLUDED

(to consider and adopt confidential items)

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

Item No.	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
1.	Minutes to be confirmed: Confidential Minutes - Council Meeting – 22nd February 2024	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
2.	Minutes to be received: Confidential Cycling and Walking Subcommittee Meeting Minutes – 16 th November 2023	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
3.	Minutes to be received: Confidential Minutes – CE Review Committee Meeting – 20 th July 2023	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
4.	Minutes to be received: Confidential Minutes – CE Review Committee Meeting – 13 th October 2023	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
5.	Franz Josef/Waiiau Rating District Joint Committee – Appointment of Community Representatives	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
6.	Risk Report	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)

7.	Hokitika Z Line Tender Award	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
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This resolution is made in reliance on sections 48(1)(a) and (d) of the Local Government Official Information and Meetings Act 1987 and the particular interests or interests protected by section 7 of that Act, which would be prejudiced by the holding of the relevant part of the proceedings of the meeting in public are as follows:

Item No.	Interest
1, 2, 3, 4, 5	Protect the privacy of natural persons, including that of deceased natural persons (S. 7(2)(a))
1, 2, 3, 4, 7	Protect information where the making available of the information: <ul style="list-style-type: none"> (i) would disclose a trade secret and (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied of who is subject of the information (S. 7(2)(b))
6	Maintain legal professional privilege; or (S. 7(2)(g))
6	Enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities; or (S. 7(2)(h))
1, 2, 3, 7	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (S. 7(2)(i))
7	Prevent the disclosure of use of official information for improper gain or improper advantage. (S. 7(2)(j))

**DATE OF NEXT ORDINARY COUNCIL MEETING – 18TH APRIL 2024
COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM**



ORDINARY COUNCIL MINUTES

MINUTES OF THE ORDINARY COUNCIL MEETING OF WESTLAND DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM ON THURSDAY 22nd FEBRUARY 2024 COMMENCING AT 1 PM

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

1. KARAKIA TĪMATANGA OPENING KARAKIA

The opening Karakia was read by Deputy Mayor Cassin in Samoan, in honour of Green MP, Efeso Collins, who suddenly passed away after collapsing at a charity event on 21st February 2024.

2. MEMBERS PRESENT AND APOLOGIES

Chairperson	Her Worship the Mayor	
Members		
	Cr Cassin (Deputy)	Cr Burden
	Cr Neale	Cr Davidson
	Cr Baird	Cr Manera
	Cr Gillett	Cr Phelps
		Kw Madgwick

NGĀ WHAKAPAAHA APOLOGIES

Kw Tumahai

Moved Cr Baird, seconded Deputy Mayor Cassin and **Resolved** that the apology from Kw Tumahai be received and accepted.

STAFF PRESENT

S.R. Bastion, Chief Executive; T. Cook, Group Manager Regulatory, Planning and Community Services; L. Crichton, Group Manager, Corporate Services, Risk & Assurance; S. Baxendale, Group Manager District Assets; D. Maitland, Executive Assistant; E. Rae, Strategy and Communications Advisor (via Zoom), Erle Bencich, Operations Manager; Jan Visser, Facilities and Properties Manager; Cody Nabben, Graduate Accountant; Lauren Sadlier, Museum Director; P Coleman, Governance Administrator.

ALSO IN ATTENDANCE

Joanne Conroy, Chair, Westland Holdings Limited; Chris Gourley, Chair, Destination Westland Limited; Mark Rogers, Chair, Westroads Limited.

3. WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

The Interest Register had been circulated.

The following changes were noted to the Interest Register:

- Cr Phelps removed – Pine Creek Holding, Shareholder
- Cr Neale removed – Westland A&P Equestrian Secretary

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

There were no urgent items of business not on the Council Agenda.

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

The Minutes of the previous Meetings were circulated separately.

- **Ordinary Council Meeting Minutes – 25th January 2024**
- **Emergency Council Meeting Minutes – 2nd February 2024**

Moved Cr Gillett, seconded Cr Burden and **Resolved** that the Minutes of the Ordinary Council Meeting held on the 25th of January 2024 and the Minutes of the Emergency Council Meeting held on the 2nd of February 2024 be confirmed as a true and correct record of the meetings.

The Chair **Approved** that their digital signature be added to the confirmed Council Meeting Minutes of 25th January 2024 and the confirmed Emergency Council Meeting Minutes of 2nd February 2024.

Minutes to be Received from Standing Committees

- **Risk and Assurance Committee Meeting Minutes – 9th November 2023**

Moved Cr Baird, seconded Cr Phelps and **Resolved** that the Minutes of the Risk and Assurance Committee Meeting held on the 9th November 2023 be received.

6. **ACTION LIST**

The Action list was circulated separately.

Simon Bastion, Chief Executive Officer spoke to the Action List and provided the following update:

- Council Headquarters - Elliot Sinclair will start the Geotech work in the near future.

Moved Cr Manera, seconded Cr Davidson and **Resolved** that the updated Action List be received.

7. **NGĀ TĀPAETANGA PRESENTATIONS**

- *This item was covered under the Westland Holdings Six Month Presentation in Staff Reports*

8. PŪRONGO KAIMAHI STAFF REPORTS

• **Financial Update**

Cody Nabban, Graduate Accountant spoke to this item and advised the purpose of this report is to provide an indication of Council's financial performance for the month to 31 January 2024.

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

1. The Financial Performance Report for 31st January 2024 be received.

• **Westland Holdings Limited – Draft Statement of Intent**

Joanne Conroy, Chair, Westland Holdings Limited spoke to this item and advised the purpose of this report is to present the Draft Westland Holdings Limited 2024-2027 Statement of Intent (SOI) for any comments or changes and approval by Council.

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

1. The report be received.
2. Council approve the draft Westland Holdings Limited 2024-2027 Statement of Intent subject to amendments and/or additions for inclusion in the final Statement of Intent.

• **Westland Holdings Limited – Six Month Update and Presentation**

Destination Westland Limited

Chris Gourley, Chair, Destination Westland Limited spoke to this item as follows:

- Hokitika Wildfoods ticket sales are very good so far.
- Looking at the business model with plans to reshape it towards a more profitable model.
- Good focus on property.
- Helipads at Franz Josef. This is a very weather dependent asset. Trending towards the continued increase in tourists.
- Administration expenses are up \$120k, this is an operating cost, not administration.
- Total actual income is up from budgeted income.

Westroads Limited

Mark Rogers, Chair, Westroads Limited spoke to this item as follows:

- Westroads have an ongoing commitment to debt reduction, debt is down by \$1 million compared with this time last year.
- Equity to assets ratio has increased from 52% to 62%.
- The forecasts that have been done show the second half of the year to be more profitable going forward.
- There has been a decrease of work in Hokitika and Christchurch, a lack of tenders came out for the first half of the year. Since the election a number of tenders have been released and we have been successful on some of these.
- Westroads currently have a six to eight month workload in Christchurch.

Westland Holdings Limited

Joanne Conroy, Chair, Westland Holdings Limited spoke to this item

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

1. The Six Month Update from Westland Holdings Limited, Destination Westroads Limited and Westroads Limited, including the presentation be received.

- **Hokitika Museum Redevelopment Report**

Laureen Sadlier, Museum Director spoke to this item and advised the purpose of this report is to seek Council approval to implement budget spend for Stage II & III of the Museum Redevelopment Project as follows:

- Re-opening of the museum has been a long time coming, this will be done well.
- Investing in the right people is key to the next steps.
- The finished museum will be a museum experience with an art feel.
- Exhibits will focus mainly on Westland with some from the wider West Coast.
- There is a lot of loss to the collection – rust, mould, West Coast conditions. Work is undertaken as much as possible, unfortunately, some is beyond repair.
- Losses will be minimal in the future as there is more awareness around this.
- Drummond Hall is not suitable for display or storage as the roof there is not weather-tight.
- Exhibition events are being planned. On the Hokitika Wildfoods Festival weekend there will be an exhibition event in the Pakiwaitara Building.
- Will be great to see this asset reopened to the public.
- Removing carparks at the front of the building to bring more presence to the historic beauty of the Carnegie building.

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

1. The report be received.
2. Council implement Stage II & III of the Museum Redevelopment Project.
3. Council agree to an 18-month timeframe from the implementation date.

- **Deferral of Long-Term Plan 2024-34**

Lesley Crichton, Group Manager, Corporate Services Risk and Assurance spoke to this item and advised the purpose of this report is to seek a Council resolution to defer the Long-term Plan 2024-34 for one year as follows:

- Some big changes over the next 12 months that will give more certainty to the LTP, it is difficult to keep up with the changes at the moment and we are constantly rewriting what we have got.
- Proposing to do an enhanced annual plan, only for 12 months and 2 years rather than 3 years, which will be more focused and in-depth.
- Final funding for road transport will not be known until April/May, waiting for this to come down from the Government.
- Without knowing where the government stands on 3 waters we are unaware of any funding, with the changes happening on this we cannot budget correctly for this.
- Still have a Long-term Plan, will just be in year 4 technically.
- Large amount of other councils are doing similar to this as they are waiting for government decisions that affect budgets and planning going forward.

Moved Cr Burden, seconded Cr Manera and **Resolved** that:

1. The report be received.
2. Council resolve to defer the Long Term Plan for one year, and instead provide an enhanced Annual Plan for the year ended 30 June 2025.

- **Significance and Engagement Policy**

Emma Rae, Strategy and Communications Advisor spoke to this item and advised the purpose of this report is to advise Elected Members of the change in process for the Significance and Engagement Policy (SEP).

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

1. The report be received.
2. The Significance and Engagement Policy be included in the Annual Plan 2024/2025.
3. The following engagement and consultation will be undertaken: inclusion of the Significance and Engagement Policy in the Annual Plan 2024/2025 consultation process.

9. ADMINISTRATIVE RESOLUTION

Moved Cr Gillett, seconded Cr Burden and **Resolved** that Council confirm its Seal being affixed to the following documents:

- **Warrants of Appointment –**

<p>Warrant of Appointment – ENVIRONMENT HEALTH OFFICER (re-issued warrant)</p>	<p>STATUTORY APPOINTMENT</p> <ol style="list-style-type: none"> 1. An Environmental Health Officer pursuant to Section 28 of the Health Act 1956 2. A Licensing Inspector pursuant to Section 197 of the Sale and Supply of Alcohol Act 2012 3. An Authorised Officer pursuant to Section 174 of the Local Government Act 2002 4. An Enforcement Officer pursuant to Section 177 of the Local Government Act 2002 5. An Enforcement Officer pursuant to Section 38 of the Resource Management Act 1991 6. An Enforcement Officer pursuant to Section 229 of the Building Act 2004 7. Where qualified in terms of the Hazardous Substances and New Organisms (Enforcement Officer Qualifications) Notice 2015, an Enforcement Officer pursuant to Sections 98(1)(a) and 100 of the Hazardous Substances and New Organisms Act 1996 8. A Dog Control Officer pursuant to Section 11 of the Dog Control Act 1996 9. A Dog Ranger pursuant to Section 12 of the Dog Control Act 1996 10. A Deputy Poundkeeper pursuant to Section 9 of the Impounding Act 1955 <p>STATUTORY DELEGATIONS AND ENFORCEMENT</p> <ol style="list-style-type: none"> 1. Authority pursuant to the Health Act 1956 to carry out the functions, powers and duties of an Environmental Health Officer. 2. To exercise the powers of an Environmental Health Officer/Authorised Officer pursuant to: <ol style="list-style-type: none"> a. Camping-Grounds Regulations 1985; b. Food Act 2014; c. Food Hygiene Regulations 1974; d. Food Safety Regulations 2002; e. Health (Burial) Regulations 1946; f. Health (Hairdressers) Regulations 1980; g. Health (Infectious and Notifiable Diseases) Regulations 1966; h. Health (Registration of Premises) Regulations 1966.
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3. To exercise the powers and functions of the Chief Licensing Inspector pursuant to the Sale and Supply of Alcohol Act 2012.
4. Authority pursuant to the Local Government Act 2002 to carry out the functions, powers and duties of an Enforcement Officer.
5. Authority pursuant to the Resource Management Act 1991 to carry out the functions, powers and duties of an Enforcement Officer.
6. Authority pursuant to the Building Act 2004 to carry out the functions, powers and duties of an Enforcement Officer.
7. Authority pursuant to the Hazardous Substances and New Organisms Act 1996 to carry out the functions, powers and duties of an Enforcement Officer where qualified in terms of the Hazardous Substances and New Organisms (Personnel Qualifications) Regulations 2001.
8. Authority pursuant to the Dog Control Act 1996 to carry out the functions, powers and duties of a Dog Control Officer and Dog Ranger
9. Authority pursuant to the Impounding Act 1955 to carry out the functions, powers and duties of a deputy Pound Keeper, other than the setting of pound fees conferred by Section 14(1) of the Act

DISCRETIONARY STATUTORY DELEGATIONS

1. Authority to administer and enforce Westland District Council Bylaws in accordance with the scope of the position.
2. Authority to undertake all of the Council’s powers, functions and duties under the Health Act 1956 and relevant regulations made thereunder.
3. Authority pursuant to the Local Government Act 2002:
 - a. to enter any land or building other than a dwelling house pursuant to Section 171;
 - b. to enter occupied land or buildings in the event of an emergency pursuant to Section 173.
4. Authority pursuant to Section 222 of the Building Act 2004
 - a. to carry out inspections; and
 - b. to enter any premises for the purpose of determining whether a building is insanitary.
5. Pursuant to sub-part 6 of the Building Act 2004 to exercise the powers of the Council in respect of insanitary buildings.
6. Authority to consider applications and, where the application complies in all respects with the Westland District Council Gambling Venues Policies as the case may be, grant consent for the location and operation of Class 4 Gambling Venues in accordance with the Gambling Act 2003.
7. Authority to consider applications and, where the application complies in all respects with the Westland District Council Board Venues Policy as the case may be, grant consent for the location and operation of racing board venues.
8. Authority pursuant to the Dog Control Act 1996:
 - a. To seize and remove a dog pursuant to Section 15
 - b. To classify a dog as dangerous pursuant to Sections 31 and 33ED;
 - c. To classify a dog as menacing pursuant to sections 33A, 33C and 33ED;
 - d. To require a menacing dog to be neutered pursuant to Section 33EB;
 - e. To exercise the powers and functions of Council pursuant to Sections 32 and 33E; and
 - f. To return a dog to its owner pursuant to Section 70
9. Pursuant to clause 32 of the 7th schedule of the Local Government Act 2002 to act as an informant for the purposes of laying information and issuing summonses under the Summary Proceedings Act 1957.

Sale and Supply of Alcohol Act

1. The power under regulation 5(1) of the Sale and Supply of Alcohol (Fees) Regulations 2013 to assign a cost/risk rating to any premises for which an on-licence, off-licence, or club licence is held or sought.

	<ol style="list-style-type: none"> 2. The power under regulation 5(6) of the Sale and Supply of Alcohol (Fees) Regulations 2013 to form an opinion whether or not a club operates any part of the premises in the nature of a tavern at any time, if a club operates a bar for no more than 40 hours each week, if a restaurant has a significant bar area and operates that bar area at least one night a week in the manner of a tavern at any time, or if a restaurant only serves alcohol to the table and does not have a separate bar area. 3. The power under regulation 6(1) of the Sale and Supply of Alcohol (Fees) Regulations 2013 to assign a fees category to any premises for which an on-licence, off licence, or club licence is held or sought. 4. The power under regulation 6(4) of the Sale and Supply of Alcohol (Fees) Regulations 2013 to exercise discretion to assign a fees category to premises that is 1 level lower than the fees category determined under regulation 6(1) of those regulations. 5. The power under regulation 10(2) of the Sale and Supply of Alcohol (Fees) Regulations 2013 to exercise discretion to charge a fee for a special licence that is 1 class below that class of the licence that is issued.
<p>Warrant of Appointment – ANIMAL CONTROL OFFICER (re-issued warrant)</p>	<p>REPORTING TO – Group Manager Regulatory, Planning and Community Services</p> <p>STATUTORY APPOINTMENT</p> <ol style="list-style-type: none"> 1. An Authorised Officer pursuant to Section 174 of the Local Government Act 2002 2. An Enforcement Officer pursuant to Section 177 of the Local Government Act 2002 3. A Dog Control Officer pursuant to Section 11 of the Dog Control Act 1996 4. A Dog Ranger pursuant to Section 12 of the Dog Control Act 1996 5. A Poundkeeper pursuant to Section 8 of the Impounding Act 1955 <p>STATUTORY DELEGATIONS AND ENFORCEMENT</p> <ol style="list-style-type: none"> 1. Authority pursuant to the Local Government Act 2002 to carry out the functions, powers and duties of an Authorised Officer and an Enforcement Officer. 2. Authority pursuant to the Dog Control Act 1996 to carry out the functions, powers and duties of a Dog Control Officer and Dog Ranger 3. Authority pursuant to the Impounding Act 1955 to carry out the functions, powers and duties of a Pound Keeper, other than the setting of pound fees conferred by Section 14(1) of the Act <p>DISCRETIONARY STATUTORY DELEGATIONS</p> <ol style="list-style-type: none"> 1. Authority to administer and enforce Westland District Council Bylaws in accordance with the scope of the position. 2. Authority pursuant to the Dog Control Act 1996: <ol style="list-style-type: none"> a. To seize and remove a dog pursuant to Section 15 b. To classify a dog as dangerous pursuant to Sections 31 and 33ED; c. To classify a dog as menacing pursuant to sections 33A, 33C and 33ED; d. To require a menacing dog to be neutered pursuant to Section 33EB; e. To exercise the powers and functions of Council pursuant to Sections 32 and 33E; f. To provide information pursuant to Sections 35 and 35A; g. To sell, destroy or otherwise dispose of an impounded dog pursuant to Section 69; h. To implant a dog with a functioning microchip transponder in the prescribed manner or to verify that a dog has been implanted with a microchip transponder pursuant to Section 69A i. To authorise, or refuse, the return of a dog which has been removed under Section 56, 32, or 33E and retained in custody, pursuant to Section 70; j. To retain, or authorise the release of, a dog that is threatening the safety of the public pursuant to Section 71; and k. To exercise the powers and functions of Council pursuant to Section 71A

	<p>3. Authority to exercise powers, functions and duties of Council pursuant to Section 63 of the Impounding Act, other than the setting of fees and charges pursuant to Section 14 of the Act.</p>
<p>Warrant of Appointment – ANIMAL CONTROL RANGER (new warrant)</p>	<p>REPORTING TO – Group Manager Regulatory, Planning and Community Services</p> <p>STATUTORY APPOINTMENT</p> <ol style="list-style-type: none"> 1. An Authorised Officer pursuant to Section 174 of the Local Government Act 2002 2. An Enforcement Officer pursuant to Section 177 of the Local Government Act 2002 3. A Dog Control Officer pursuant to Section 11 of the Dog Control Act 1996 4. A Dog Ranger pursuant to Section 12 of the Dog Control Act 1996 5. A Deputy Poundkeeper pursuant to Section 9 of the Impounding Act 1955 <p>STATUTORY DELEGATIONS AND ENFORCEMENT</p> <ol style="list-style-type: none"> 1. Authority pursuant to the Local Government Act 2002 to carry out the functions, powers and duties of an Authorised Officer and an Enforcement Officer. 2. Authority pursuant to the Dog Control Act 1996 to carry out the functions, powers and duties of a Dog Control Officer and Dog Ranger 3. Authority pursuant to the Impounding Act 1955 to carry out the functions, powers and duties of a Deputy Pound Keeper, other than the setting of pound fees conferred by Section 14(1) of the Act <p>DISCRETIONARY STATUTORY DELEGATIONS</p> <ol style="list-style-type: none"> 1. Authority to administer and enforce Westland District Council Bylaws in accordance with the scope of the position. 2. Authority pursuant to the Dog Control Act 1996: <ol style="list-style-type: none"> a. To seize and remove a dog pursuant to Section 15 b. To classify a dog as dangerous pursuant to Sections 31 and 33ED; c. To classify a dog as menacing pursuant to sections 33A, 33C and 33ED; d. To require a menacing dog to be neutered pursuant to Section 33EB; e. To exercise the powers and functions of Council pursuant to Sections 32 and 33E; and f. To return a dog to its owner pursuant to Section 70 3. Authority to exercise powers, functions and duties of Council pursuant to Section 63 of the Impounding Act, other than the setting of fees and charges pursuant to Section 14 of the Act.
<p>Warrant of Appointment – COMPLIANCE & HEALTH AND SAFETY OFFICER (re-issued warrant)</p>	<p>REPORTING TO – Group Manager Regulatory, Planning and Community Services</p> <p>STATUTORY APPOINTMENT</p> <ol style="list-style-type: none"> 1. An Authorised Officer pursuant to Section 174 of the Local Government Act 2002 2. An Enforcement Officer pursuant to Section 177 of the Local Government Act 2002 3. An Enforcement Officer pursuant to Section 38 of the Resource Management Act 1991 4. A Dog Control Officer pursuant to Section 11 of the Dog Control Act 1996 5. A Dog Ranger pursuant to Section 12 of the Dog Control Act 1996 6. A Deputy Poundkeeper pursuant to Section 9 of the Impounding Act 1955 <p>STATUTORY DELEGATIONS AND ENFORCEMENT</p> <ol style="list-style-type: none"> 1. Authority pursuant to the Local Government Act 2002 to carry out the functions, powers and duties of an Authorised Officer and an Enforcement Officer. 2. Authority to exercise all of the functions and powers of an Enforcement Officer under Sections 327 and 328 (which relate to excessive noise) of the Resource Management Act 1991 3. Authority pursuant to the Dog Control Act 1996 to carry out the functions, powers and duties of a Dog Control Officer and Dog Ranger

	<p>4. Authority pursuant to the Impounding Act 1955 to carry out the functions, powers and duties of a Deputy Pound Keeper, other than the setting of pound fees conferred by Section 14(1) of the Act</p> <p>DISCRETIONARY STATUTORY DELEGATIONS</p> <p>1. Authority to administer and enforce Westland District Council Bylaws in accordance with the scope of the position.</p> <p>2. Authority pursuant to the Dog Control Act 1996:</p> <ol style="list-style-type: none"> a. To seize and remove a dog pursuant to Section 15 b. To classify a dog as dangerous pursuant to Sections 31 and 33ED; c. To classify a dog as menacing pursuant to sections 33A, 33C and 33ED; d. To require a menacing dog to be neutered pursuant to Section 33EB; e. To exercise the powers and functions of Council pursuant to Sections 32 and 33E; and f. To return a dog to its owner pursuant to Section 70 <p>3. Authority to exercise powers, functions and duties of Council pursuant to Section 63 of the Impounding Act, other than the setting of fees and charges pursuant to Section 14 of the Act.</p>
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**10. KA MATATAPU TE WHAKATAUNGA I TE TŪMATANUI
RESOLUTION TO GO INTO PUBLIC EXCLUDED**
(to consider and adopt confidential items)

Moved Cr Gillett, seconded Cr Neale and **Resolved** that Council move into the Public Excluded Section and confirm that the public were excluded from the meeting in accordance with Section 48, Local Government Official Information and Meetings Act 1987 at 1.55 pm and thanked everyone in attendance and the viewers watching online.

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

Item No.	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
1.	Minutes to be confirmed: Confidential Minutes – Council Meeting, 25 th January 2024.	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
2.	Minutes to be confirmed: Confidential Minutes – Emergency Council	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.

	Meeting, 2 nd February 2024.		Section 48(1)(a)
3.	Minutes to be received: Risk and Assurance Committee Meeting Minutes – 9 th November 2023.	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
4.	Confidential Tender – South Westland Solid Waste Contract 12-13-06	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
5.	Confidential Tender – Solid Waste & Recycling Special Contract Extension	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
6.	Hokitika Racecourse Development – RFP Approval.	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
7.	Beachfront Access Ramp Tender Report	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
8.	Organisation Change Proposal	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.

Section 48(1)(a)

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

Item No.	Interest
1, 3, 8	Protect the privacy of natural persons, including that of deceased natural persons. (s. (7)(2)(a))
1, 3, 4, 5, 6, 7	Protect information where the making available of the information: (i) would disclose a trade secret; and (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information. (s. 7(2)(b))
3	Avoid prejudice to measures protecting the health or safety of members of the public. (s 7(2)(d))
3, 8	Maintain the effective conduct of public affairs through— (i) the free and frank expression of opinions by or between or to members or officers or employees of any local authority, or any persons to whom section 2(5) applies, in the course of their duty; or (ii) the protection of such members, officers, employees, and persons from improper pressure or harassment. (s. 7(2)(f))
3	Maintain legal professional privilege. (s. 7(2)(g))
3	Enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities. (s. 7(2)(h))
2, 3, 4, 5, 6, 7, 8	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). (s. 7(2)(i))
3	Prevent the disclosure or use of official information for improper gain or improper advantage. (s. 7(2)(j))

Moved Cr Phelps, seconded Cr Gillett and **Resolved** that the business conducted in the ‘Public Excluded Section’ be confirmed and accordingly, the meeting went back to the open part of the meeting at 3.52 pm.

**DATE OF NEXT ORDINARY COUNCIL MEETING – 28 MARCH 2024
COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM**

MEETING CLOSED AT 3.53 PM

Confirmed by the Council at their meeting on **28TH MARCH 2024.**

Mayor Helen Lash
Chair

Date:

CYCLING & WALKING SUBCOMMITTEE MINUTES

MINUTES OF THE CYCLING AND WALKING SUBCOMMITTEE MEETING OF WESTLAND DISTRICT COUNCIL
HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM ON THURSDAY 16
NOVEMBER 2023 COMMENCING AT 3.04PM

The Subcommittee Meeting was live-streamed to the Westland District Council Youtube Channel and presentations are made available on the council website.

1. MEMBERS PRESENT AND APOLOGIES

Chairperson	Cr Davidson	
Members		
	Cr Burden	Cr Gillett (Zoom)
	Cr Neale (part of the meeting)	Cr J. O'Connor, Grey District Council
	O. Kilgour, Department of Conservation	J. Strange, Westland Mountain Bike Club (Zoom)
	J. Gurden, West Coast Wilderness Trail (Zoom)	I. Perkins, Herenga ā Nuku Aotearoa; The Outdoor Access Commission

NGĀ WHAKAPAAHA APOLOGIES

- Her Worship the Mayor
- Cr Neale for lateness
- L. Anderson, Westland Mountain Bike Club
- T. Brownlee, Manawa Energy
- J. Wood

ABSENT

Kw Madgwick, Kw Tumahai

Moved Cr O'Connor, seconded Cr Baird and **Resolved** that the apologies from Her Worship the Mayor, Cr Neale for lateness, T. Brownlee, Manawa Energy and J. Wood be received and accepted.

STAFF PRESENT

S.R. Bastion, Chief Executive; S. Baxendale, Group Manager District Assets; T. Cook, Group Manager: Regulatory and Community Services; L. Crichton, Group Manager Corporate Services, Risk and Assurance; D. Maitland; Executive Assistant and Council Secretary, E. Rae, Strategy and Communications Advisor (via Zoom).

2. WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

The Interest Register had been circulated via Microsoft Teams and email.
There were no changes to the Interest Register noted.

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

There were no urgent items of business not on the Agenda.

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

The Minutes of the previous meeting had been circulated separately via Microsoft Teams.

- **Cycling and Walking Subcommittee Meeting Minutes – 17 August 2023**

Moved I. Perkins, seconded Chair Davidson and **Resolved** that the Minutes of the Cycling and Walking Subcommittee Meeting held on 17 August 2023 be confirmed as a true and correct record of the meeting.

The Chairperson approved that their digital signature be added to the confirmed Cycling and Walking Subcommittee Meeting Minutes of 17 August 2023.

5. **ACTION LIST**

Simon Bastion, Chief Executive spoke to the Action List and provided the following updates:

- Safety elements on the State Highway - Correspondence has been held with Waka Kotahi NZ Transport Agency regarding safety improvements and this will be followed up.
- Pine Tree Road track connection – work is being undertaken in conjunction with Scott Baxendale, Group Manager District Assets on further steps regarding this item.
- Track Realignment behind the Hokitika Racecourse – discussions are ongoing. The funding application that was put forward was declined and further funding opportunities will be discussed.

Erle Bencich, Operations Manager spoke regarding the following:

- The Totara Bridge preliminary design has been completed.
- Viewing platform at the Mahinapua Lookout.

Moved O. Kilgour, seconded Cr Baird and **Resolved** that the updated Action List, including the verbal update from Erle Bencich, Operations Manager be received.

Cr Neale attended the meeting at 3.10 pm.

6. **NGĀ TĀPAETANGA PRESENTATIONS**

- **West Coast Wilderness Trail**

Melanie Anderson, Chief Executive Officer, Destination Westland Limited provided a verbal update via Zoom:

- A lot of maintenance items have been undertaken since the last meeting.
- Vegetation maintenance.
- Guidewire replacement on a bridge at Kumara.
- Spraying maintenance.

Moved Cr O'Connor, seconded Cr Baird and **Resolved** that the verbal update from Melanie Anderson, Chief Executive Officer, Destination Westland Limited be received.

7. PŪRONGO KAIMAHI STAFF REPORTS

- **West Coast Wilderness Trail**

Jackie Gurden, Trail Manager; West Coast Wilderness Trail provided an update regarding the following:

- Projects nearing completion.
- Successful ride guide will be finished in mid-December.
- The updated website is nearing completion.
- An interpretation panel at Wards Road will be installed.
- Draft Strategic Plan prepared for the West Coast Wilderness Trust.
- The Trust is proposing to celebrate the 10-year anniversary of the trail officially opening with a function on 16 December 2023 in conjunction with the opening of the Mahinapua Lookout.
- Attended the New Zealand Cycle Trail Forum in October.
- Ride the Wilderness Trail Event is on Saturday 18 November 2023.

Moved O. Kilgour, seconded Cr Neale and **Resolved** that:

1. The Report from Jackie Gurden, Trail Manager of the West Coast Wilderness Trail be received.

- **Grey District Council**

Cr Jack O'Connor from Grey District Council provided the following update:

- Grey District Council is currently working through the Long Term Plan for 2024-2034.
- Working with Sport Canterbury to develop a play, active recreation, and sport strategy.
- Road speed changes at Moana to enhance cycling and walking.
- Ride the Wilderness Trail Event on Saturday 18 November 2023.
- Flow Track developed at Blackball School.
- Cycling and Walking Workshop held on the 18 October 2023 facilitated by Joshua Sprott, Rangatahi Lead, Sport Canterbury
- Snap Send Solve App to report local issues to Councils is being used by Grey District Council.

Moved I. Perkins, seconded Cr Baird and **Resolved** that:

1. The report from Cr Jack O'Connor, Grey District Council be received.

- **Department of Conservation**

Owen Kilgour, Operations Manager; Department of Conservation provided the following update:

- Mananui Tramline (Mahinapua Walkway) track resurfacing and structure upgrades and replacement are continuing.
- Mahinapua lookout project.
- Ride the Wilderness Trail Event on Saturday 18 November 2023.
- Hokitika Gorge – the track to access the original bridge has been closed off, and Department of Conservation staff are out talking to the public about the closure. Signage has been erected at the site, and positive feedback has been received from members of the public.
- A Memorandum of Understanding has been signed between the Department of Conservation and Westland District Council regarding the lower Hokitika Gorge Swingbridge Replacement Project.

Moved Cr Neale, seconded I. Perkins and **Resolved** that:

1. The report from Owen Kilgour, Operations Manager, Department of Conservation be received.

• **Herenga ā Nuku Aotearoa The Outdoor Access Commission**

Inger Perkins, Regional Field Advisor, Herenga ā Nuku Aotearoa The Outdoor Access Commission provided the following update:

- Hokitika Racecourse Development – Hub potential.
- Cycling and Walking Workshop held on 18 October 2023 and queried what the next steps will be.
- National Walking and Cycling Plans – Waka Kotahi NZ Transport Agency.
- Pine Tree Road track connection.
- Ruatapu locked gate issue.

The Chief Executive advised the following:

- *Better off Funding proposal will be circulated to the Committee for their information.*
- *Discussions are continuing with Land Information New Zealand (LINZ) regarding the locked gate issue at Ruatapu.*

Moved Cr Baird, seconded Cr O'Connor and **Resolved** that:

1. The report from Inger Perkins, Regional Field Advisor of Herenga ā Nuku Aotearoa The Outdoor Access Commission be received.

• **Westland Mountain Bike Club**

John Strange, Club Member, Westland Mountain Bike Club provided the following update:

- Continue to move toward a design in the Blue Spur Forest from the end of Cement Lead Road for mountain biking access.
- The club was successful in obtaining grant funding.
- Trail maintenance is being undertaken as required.
- The Westland Mountain Bike Club and the Hokitika Cycling Club have put in a combined application for the 150th Celebration for Westland combined cycle race for the Club and a Mountain Bike Race in the Blue Spur Forest with the intent of it becoming an annual event, depending on funding.

Moved Cr Neale, seconded I. Perkins and **Resolved** that:

1. The verbal update from John Stange, Committee Member, Westland Mountain Bike Club be received.

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

(to consider and adopt confidential items)

Moved Cr Davidson, seconded Cr Baird and **Resolved** that the Cycling and Walking Subcommittee confirm that the public were excluded from the meeting in accordance with Section 48, Local Government Official Information and Meetings Act 1987 at 3.51 pm.

The general subject of the matters to be considered while the public are excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1) of the

Local Government Official Information and Meetings Act 1987 for the passing of the resolution are as follows:

Item No.	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
1.	Confidential Minutes – 17 August 2023	Good reasons to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)

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

Item No.	Interest
1	Protect the privacy of natural persons, including that of deceased natural persons
1	Protect information where the making available of the information: (i) would disclose a trade secret; and (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information (Schedule 7(2)(b)).
1	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (Schedule 7(2)(i))

Moved O. Kilgour, seconded Cr Baird and **Resolved** that the business conducted in the ‘Public Excluded Section’ be confirmed and accordingly, the meeting went back to the open part of the meeting at 4.00 pm.

**DATE OF NEXT CYCLING AND WALKING SUBCOMMITTEE MEETING – TO BE CONFIRMED
COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM**

MEETING CLOSED AT 4.00 PM

Confirmed by:

Cr Paul Davidson
Chair

Date:



CHIEF EXECUTIVE'S REVIEW COMMITTEE EXTRAORDINARY MINUTES

MINUTES OF AN EXTRAORDINARY MEETING OF THE CHIEF EXECUTIVE'S REVIEW COMMITTEE OF WESTLAND DISTRICT COUNCIL, HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON THURSDAY 20 JULY 2023 COMMENCING AT 9.00 AM

1. MEMBERS PRESENT AND APOLOGIES

Chairperson	Her Worship the Mayor	
Members	Deputy Mayor Cassin	
	Cr Gillett	Cr Neale

NGĀ WHAKAPAAHA APOLOGIES

Nil.

ALSO IN ATTENDANCE

Pamela Peters, Director, Pamela Peters Ltd.

STAFF PRESENT

S.R. Bastion, Chief Executive (in attendance for part of the meeting); D.M. Maitland; Executive Assistant and Minute Secretary (in attendance for part of the meeting).

2. WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

The Interest Register had been circulated. There were no amendments made to the Interest Register.

3. NGĀ MENETI O TE HUI KAUNIHĒRA MINUTES OF MEETINGS

- **Extraordinary CE's Review Committee Meeting Minutes – 25 May 2023.**

Moved Cr Gillett, seconded Deputy Mayor Cassin and **Resolved** that the Minutes of the Extraordinary CE's Review Committee Meeting held on the 25 May 2023 be confirmed as a true and correct record of the meeting.

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

Moved Cr Gillett, seconded Cr Neale and **Resolved** that the Committee confirm that the public were excluded from the meeting in accordance with Section 48, Local Government Official Information and Meetings Act 1987 at 9.05 am.

The general subject of the matters to be considered while the public are excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1) of the

Local Government Official Information and Meetings Act 1987 for the passing of the resolution are as follows:

Item No.	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
1.	Confidential Minutes to be confirmed: 25 May 2023.	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)(i)
2.	Confidential Chief Executive's Annual Performance Review for 2022-2023.	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)(i)

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

Item No.	Interest
1, 2	Protect the privacy of natural persons, including that of deceased natural persons. (s. 7(2)(a))
1, 2	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). (s. 7(2)(i))

Moved Cr Neale, seconded Cr Gillett and **Resolved** that the business conducted in the 'Public Excluded Section' be confirmed and accordingly, the meeting went back to the open part of the meeting at 12 noon.

MEETING CLOSED AT 12 NOON


**DATE OF NEXT ORDINARY COUNCIL MEETING – TBC
COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA**

Confirmed by:

Mayor, Helen Lash
Chair

5 March 2024
Date

22.02.24 – COUNCIL MEETING ACTION LIST

Item No.	Date of Meeting	COMPLETED IN PROGRESS OVERDUE	Item	Action	Completion Date/Target Date	Officer	Status
1	26.08.21		Pakiwaitara Building, 41 Weld Street Hokitika Council Headquarters, 36 Weld Street, Hokitika	Business case and scope of work to be brought to Council after the structural elements of the work have been identified, costed and timelines finalized.	June 24	CE	Work is being undertaken on building assessments for both the Pakiwaitara Building and also the Council Headquarters Building. Geotech work for both buildings is also being progressed.

Report to Council



DATE: 28 March 2024
TO: Mayor and Councillors
FROM: Graduate Accountant

FINANCIAL PERFORMANCE – February 2024

1. Summary

- 1.1. The purpose of this report is to provide an indication of Council's financial performance for the month to 29 February 2024.
- 1.2. This issue arises from a requirement for sound financial governance and stewardship with regards to the financial performance and sustainability of a local authority.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2021, which are set out in the Long Term Plan 2021 - 31. Refer page 2 of the agenda.
- 1.4. This report concludes by recommending that Council receive the financial performance report to 29 February 2024.

2. Background

- 2.1. Council receives monthly financial reporting so that it has current knowledge of its financial performance and position against budgets. A more detailed performance report is presented to the Risk and Assurance Committee (R&A Committee), previously known as the Audit and Risk Committee, on a quarterly basis which includes non-financial information against KPI's adopted through the Long Term Plan.

3. Current Situation

- 3.1. The information in the report is of a summarised nature, with only permanent variances over \$25,000 having comments. Temporary differences which are mainly budget phasing are not commented on as these will either approximate budget by the end of the financial year, or become a permanent variance which will be noted.
- 3.2. With the inclusion of the sustainability report, it is not necessary to include such detail to Council in the financial report, as the key business indicators are included in the sustainability report. A number of these indicators make up part of the covenants required to be reported half-yearly to the Local Government Funding Agency.

- 3.3. The financial performance report to 29 February 2024 is attached as **Appendix 1** and contains the following elements;
 - 3.3.1.Sustainability report
 - 3.3.2.Statement of Comprehensive Revenue and Expense
 - 3.3.3.Notes to the Statement of Comprehensive Revenue and Expense
 - 3.3.4.Revenue and Expenditure Graphs
 - 3.3.5.Funding Impact Statement
 - 3.3.6.Statement of Financial Position
 - 3.3.7.Debtors
 - 3.3.8.Debt position
 - 3.3.9.Capital Report

4. Options

- 4.1. Option 1: That Council receives the Financial Performance Report to 29 February 2024.
- 4.2. Option 2: That Council does not receive the Financial Performance Report to 29 February 2024.

5. Risk Analysis

- 5.1. Risk has been considered and no risks have been identified in receiving the report, however if Council did not receive the report, it could be perceived that there was a lack of financial stewardship leading to reputational risk and conduct risk.

6. Health and Safety

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

7. Significance and Engagement

- 7.1. The level of significance has been assessed as being low as the report is for information purposes only.
- 7.2. No public consultation is considered necessary

8. Assessment of Options (including Financial Considerations)

- 8.1. Option 1: The Council receives the report. This report is to inform Council on the monthly financial position and to encourage financial stewardship.
- 8.2. Option 2: If the Council does not receive the report there will be no oversight of the financial position of Council or whether the costs of Council are being managed in line with budgets.
- 8.3. There are no financial implications to these options.

9. Preferred Option(s) and Reasons

9.1. The preferred option is Option 1.

9.2. The reason that Option 1 has been identified as the preferred option is that the report is administrative in nature and to do nothing could create risks to council. Council would be carrying out its administrative stewardship in receiving the report.

10. Recommendation(s)

10.1. That the Financial Performance Report for 29 February 2024 be received.

Cody Nabben
Graduate Accountant

Appendix 1: Finance Performance Report for 29 February 2024

Appendix 1



Financial Performance Year to 29 February 2024

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Total revenue	Total expenditure	Total surplus/(deficit)
\$23.88M	\$22.39M	\$1.5M
Is 8.41% more than the total budget of \$22.03M	Is 4.96% more than the total budget of \$21.33M	Against a budget of \$0.7M

SUSTAINABILITY

Rates to operating revenue **51.89%**

Rates Revenue	\$12.39M
Operating Revenue	\$23.88M

51.89% of operating revenue is derived from rates revenue. Rates revenue includes penalties, water supply by meter and is gross of remissions. Operating revenue excludes vested assets, and asset revaluation gains.

Balanced budget ratio **106.68%**

Operating revenue	\$23.88M
Operating expenditure	\$22.39M

Operating revenue should be equal or more than operating expenditure. Operating revenue excludes vested assets and asset revaluation gains. Operating expenditure includes depreciation and excludes landfill liability and loss on asset revaluations. Year to date revenue is 106.68% of operating expenditure.

Interest to rates revenue (LGFA Cov.) **2.69%**

Net interest and finance costs	\$0.33M
Rates Revenue	\$12.39M

2.69% of rates revenue is paid in interest. Our set limit is 25% of rates revenue. Net interest is interest paid less interest received. 2.69% indicates that interest revenue is less than interest expense. Rates revenue includes penalties, water supply by meter and gross of remissions.

Interest to operating revenue **1.40%**

Net Interest and finance costs	\$0.33M
Operating revenue	\$23.88M

1.4% of operating revenue is paid in interest. Our set limit is 10% of operating revenue. Net interest is interest paid less interest received. 1.4% indicates that interest revenue is less than interest expense.

Liquidity Risk (LGFA Cov.) **149%**

Gross debt	\$29.82M
Undrawn committed facilities	\$3.98M
Cash and cash equivalents	\$10.61M

The liquidity risk policy requires us to maintain a minimum ratio of 110% which is also an LGFA covenant. Council's current liquidity risk is 149%.

Essential services ratio **49.98%**

Capital expenditure	\$2.19M
Depreciation	\$4.38M

Capital expenditure should be equal to or more than depreciation for essential services. Year to date capex is 49.98% of depreciation. Essential Services (ES) are Water Supply, Wastewater, Stormwater, and Roothing. Capital expenditure is lower than Depreciation by 2.19M due to the following:

- Timing. With regard to roading, we anticipate more favourable weather conditions in the latter part of this financial year.
- Expenditure on Roothing assets was brought forward into the 2022-23 financial year. This has had an impact of limiting current year expenditure by \$0.55M.
- Delays in receiving invoices, which has lead to outstanding purchase orders relating to ES projects totalling \$0.79M.
- Asset revaluations at the end of the 2022-23 financial year lead to a 6.18% increase in value of ES assets, which means an increase in depreciation totalling approximately \$0.43M.

Statement of Comprehensive Revenue and Expenditure

	Notes	Full Year Forecast (\$000)	Full Year Budget (\$000)	YTD Budget (\$000)	Actual YTD (\$000)	Variance YTD (\$000)	Var/Bud %
Revenue							
Rates	01	19,149	19,266	12,510	12,393	(117)	(0.94%)
Grants and subsidies	02	10,274	9,843	7,217	7,647	431	5.97%
Interest Revenue	03	845	268	179	756	577	322.87%
Fees and Charges	04	2,532	2,232	1,493	1,793	300	20.07%
Other revenue	05	1,896	1,235	632	1,294	662	104.74%
Total operating revenue		34,696	32,844	22,031	23,883	1,852	8.41%
Expenditure							
Employee Benefit expenses	06	6,303	6,274	4,182	4,212	29	0.70%
Finance Costs	07	1,466	1,130	754	1,089	336	44.55%
Depreciation	08	8,745	9,331	6,221	5,635	(586)	(9.42%)
Other expenses	09	16,922	15,643	10,173	11,452	1,279	12.57%
Total operating expenditure		33,436	32,378	21,329	22,387	1,058	4.96%
Operating Surplus/(Deficit)		1,260	466	702	1,496	794	113%

Comments are provided on permanent variances over \$25,000.

01 Rates

Variance is due to revenue from metered water charges being lower than forecast.

02 Grants and subsidies

Of the grant revenue received to date, \$3.2M relates to the Hokitika Swimming Pool redevelopment project. Transport grants are below budget by \$1.4M due to low capital spend for the first half of the financial year. Unbudgeted MTFJ grants total \$352k.

03 Interest Revenue

Interest on swaps is \$296k over budget, while the rest of the variance (\$281k) is attributable to interest from our term deposits and the current account. The total variance of \$577k more than offsets the adverse increase of \$336k in finance costs against budget.

04 Fees and charges

Building and resource consent fees are over by \$115k and \$89k respectively due to higher consent numbers than anticipated as well as higher complexity (leading to more hours charged). This is offset by the variance in consent processing costs (\$135k over). Waste disposal levy payments are \$57k over. Fees for rubbish removal to Butlers Landfill are \$40k over.

05 Other Revenue

Non-cash gain on swaps is \$462k above budget. This is more than offset by loss on swaps mentioned in note 09. Unbudgeted cost recoveries relating to 3-Waters total \$200k.

06 Employee benefit expenses

Salary cost is relatively on track with budget.

07 Finance Costs

This is largely made up of interest expenses on our loans. While finance costs are over budget by \$336k due to higher than expected interest rates, these costs are more than offset by interest revenue, as noted above.

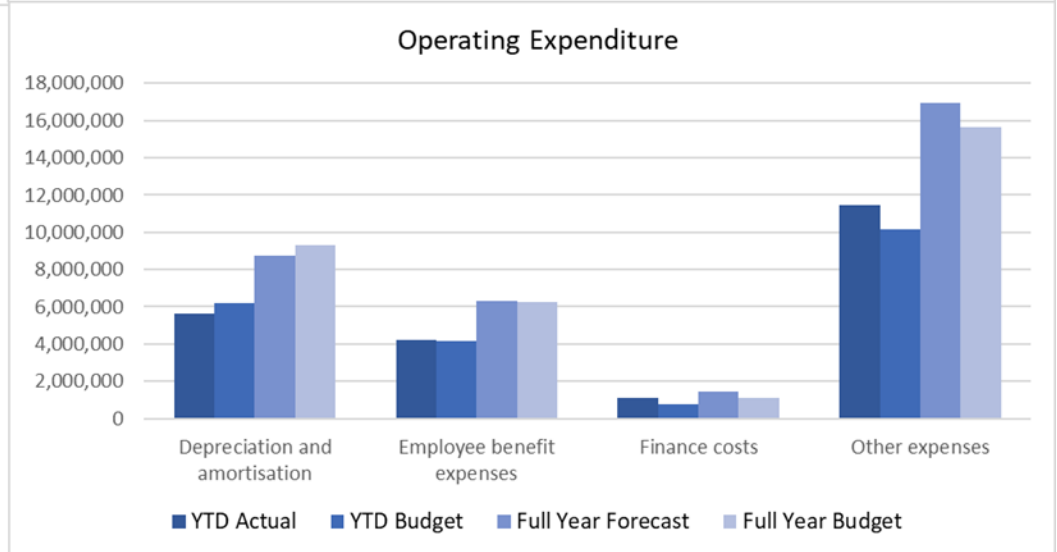
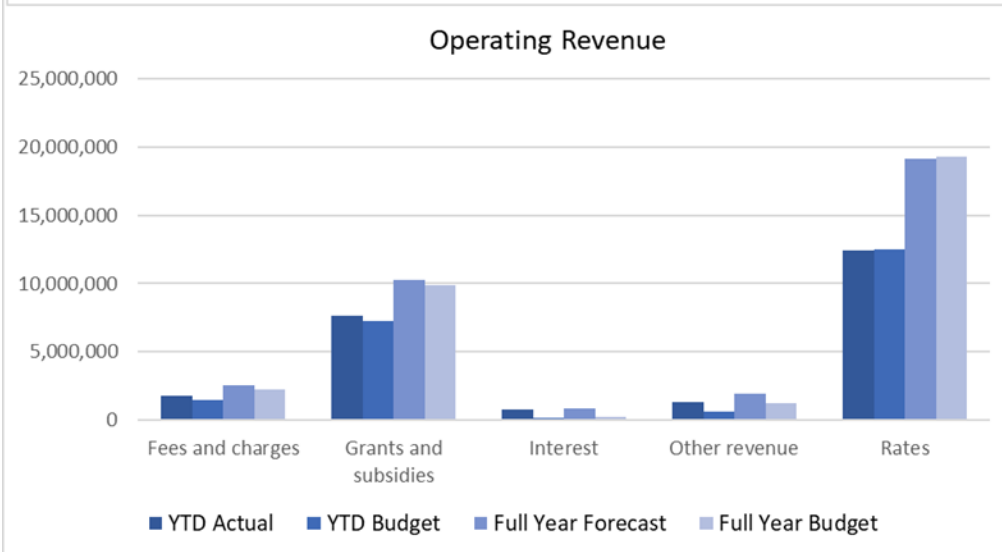
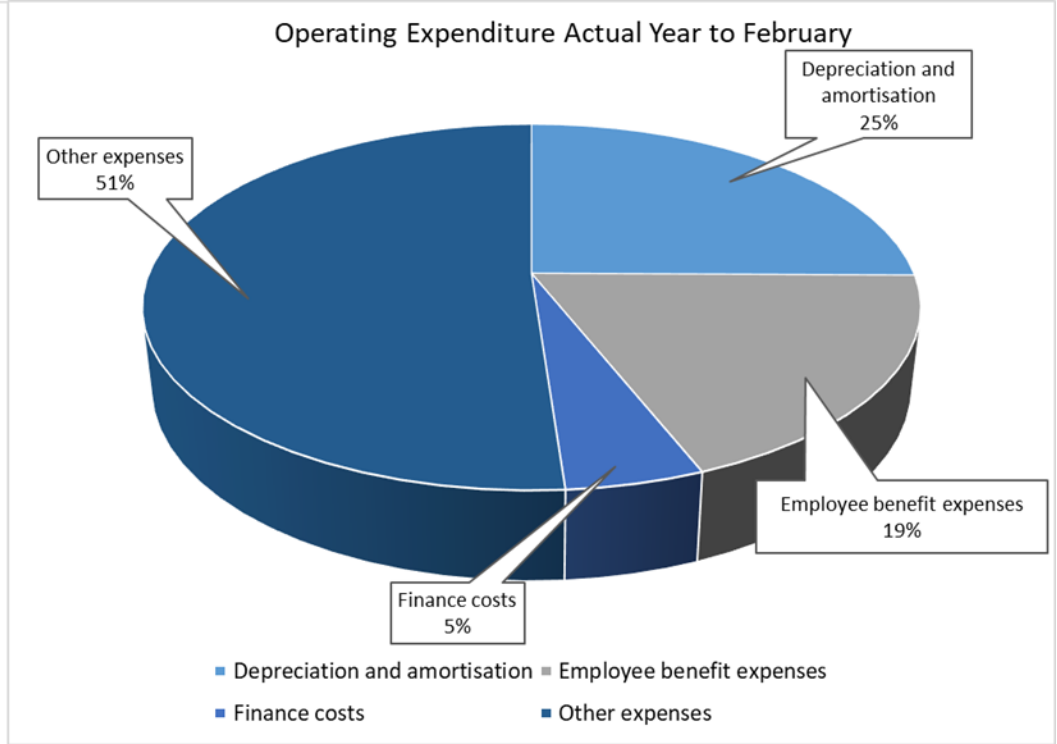
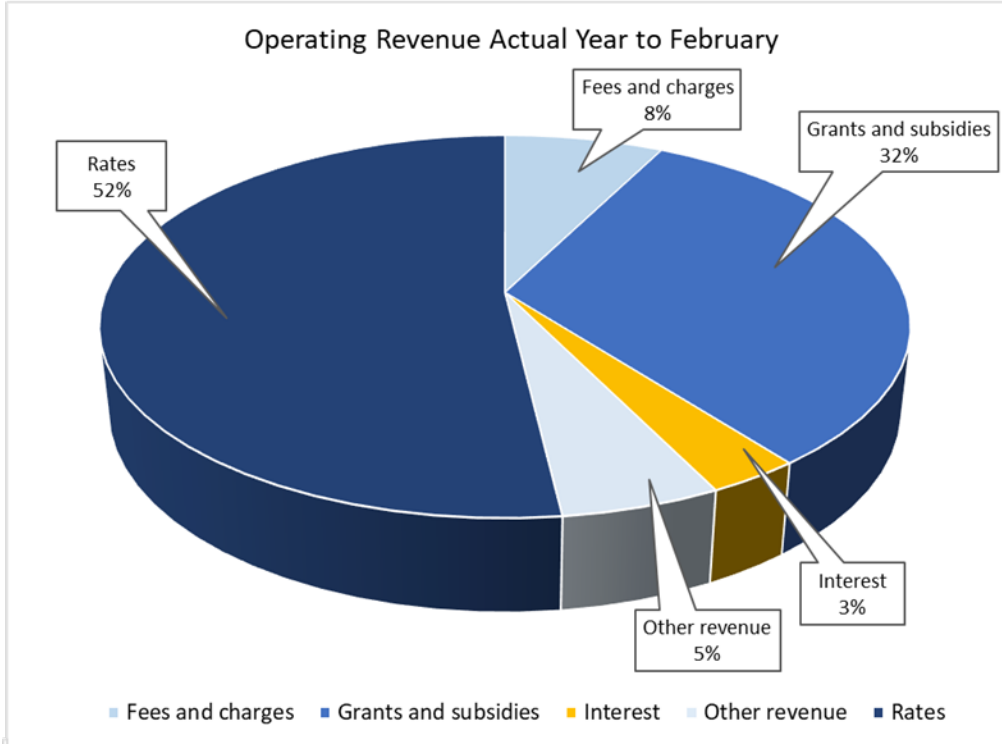
08 Depreciation

Asset Revaluations completed at the end of the 2022-23 financial year were larger than anticipated. Also worth noting that, as more assets are capitalized throughout the year, monthly depreciation will increase.

09 Other expenses

- Non-cash loss on swaps is over budget \$601k due to drops in swap rates.
- Maintenance of Water Services assets is over by \$376k due to additional sampling costs not budgeted for, as well as asset failures.
- Maintenance of Waste Water assets is over by \$125k due being undercharged for blockages dating back to November 2022.
- Unbudgeted, fully funded MTFJ costs total \$162k.
- Resource and Building consent processing costs are \$96k and \$39k over respectively as this continues to be outsourced. This is offset by the fees mentioned in note 04.
- 3 waters transition consultancy is \$87k over - offset by recoveries mentioned in note 05.

Revenue & Expenditure Graphs



Funding Impact Statement

Funding Impact Statement for Whole of Council				
	2023 Annual Plan \$000	2023 Annual Report \$000	2024 Annual Plan \$000	2024 Actual \$000
(SURPLUS) / DEFICIT OF OPERATING FUNDING				
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	8,982	8,889	11,131	7,466
Targeted Rates	10,245	9,878	8,135	4,927
Subsidies and grants for operating purposes	2,135	3,867	2,638	1,831
Fees and charges	2,037	2,254	2,232	1,793
Interest and dividends from investments	257	1,050	518	756
Local authorities fuel tax, fines, infringement fees, and other receipts	1,084	2,649	985	1,288
Total Operating Funding (A)	24,740	28,588	25,639	18,061
Applications of Operating Funding				
Payments to staff and suppliers	19,950	23,011	21,916	15,641
Finance Costs	986	1,395	1,130	1,086
Total Applications of Operating Funding (B)	20,936	24,407	23,047	16,727
Surplus/(Deficit) of Operating Funding (A - B)	3,804	4,181	2,592	1,333
(SURPLUS) / DEFICIT OF CAPITAL FUNDING				
Sources of Capital Funding				
Subsidies and grants for capital expenditure	9,156	3,992	7,205	5,817
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	5,941	(3,000)	6,887	-
Gross proceeds from sale of assets	-	12	-	8
Total Sources of Capital Funding (C)	15,097	1,004	14,092	5,825
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	1,735	666	252	40
- to improve the level of service	14,250	4,929	10,600	4,939
- to replace existing assets	12,537	6,266	9,770	2,003
Increase (decrease) in reserves	(9,770)	(6,675)	(3,937)	175
Increase (decrease) of investments	149	-	-	-
Total Applications of Capital Funding (D)	18,901	5,185	16,684	7,158
Surplus/(Deficit) of Capital Funding (C - D)	(3,804)	(4,181)	(2,592)	(1,333)
Funding Balance ((A - B) + (C - D))	-	-	-	-

Statement of Financial Position

	At 29 February 2024 \$000	Annual Plan 2023/24 \$000	Actual 2022/2023 \$000
Assets			
Current assets			
Cash & cash equivalents	10,874	4,311	8,378
Debtors & other receivables	3,428	3,135	2,809
Tax receivable	-	-	-
Derivative financial instruments	154	12	53
Other financial assets	48	-	48
Total Current Assets	14,504	7,458	11,288
Non-current assets			
Council Controlled Organisation	12,695	12,695	12,695
Deferred Tax	176	137	176
Intangible assets	132	225	151
Assets Under Construction	15,908	10,781	9,571
Derivative financial instruments	581	493	1,052
Other Financial Assets	626	771	553
Property, Plant and Equipment	510,653	516,239	515,928
Total Non-current assets	540,770	541,340	540,126
Total Assets	555,274	548,797	551,414
Liabilities			
Current liabilities			
Creditors & other payables	1,295	2,863	4,001
Employee benefit liabilities	667	507	521
Borrowings	3,000	-	3,000
Derivative financial instruments	-	-	-
Other	2,775	1,475	595
Total Current Liabilities	7,737	4,846	8,116
Non-current liabilities			
Deferred Tax	-	-	-
Employee benefit liabilities	33	36	30
Provisions	3,335	2,821	3,335
Borrowings	26,818	36,180	23,818
Derivative financial instruments	20	-	-
Total Non-Current Liabilities	30,206	39,038	27,183
Total Liabilities	37,944	43,883	35,299
Net Assets	517,331	504,914	516,115

	At 29 February 2024 \$000	Annual Plan 2023/24 \$000	Actual 2022/2023 \$000
Equity			
Retained Earnings	173,914	179,854	172,693
Restricted Reserves	10,073	6,481	10,073
Revaluation reserves	333,167	318,402	333,170
Other comprehensive revenue and expense reserve	177	177	177
Total Equity	517,331	504,914	516,115

Debtors 29 February 2024

29/02/2024					
Type	Over 90 Days	60-90 Days	30-60 Days	Current	Total (\$)
Building Consents	46,428	5,968	731	16,109	69,235
Building Warrants	1,934	631	-	1,206	3,770
Resource Consents	15,006	3,534	15,675	5,735	39,950
Sundry Debtors	46,003	3,975	44,563	115,026	209,567
Grant Debtors	612,282	91,727	-	503,123	1,207,132
Grand Total	721,653	105,835	60,968	641,198	1,529,655

28/02/2023					
Type	Over 90 Days	60-90 Days	30-60 Days	Current	Total (\$)
Building Consents	25,590	3,544	1,121	32,501	62,757
Building Warrants	370	622	-	(423)	569
Resource Consents	4,250	475	-	3,907	8,632
Sundry Debtors	83,318	5,752	25,721	303,843	418,634
Grant Debtors	-	8,262	20,357	306,483	335,103
Grand Total	113,528	18,655	47,199	646,312	825,695

Grants outstanding as at 29/02/2024 (exceeding \$25k)		
Date Invoiced	Project	Total (\$)
17/08/2023	Better off Funding - Community Halls	39,241
6/11/2023	Better off Funding - Hokitika Swimming Pool	434,043
30/11/2023	Better off Funding - Community Halls	138,997
20/12/2023	Better off Funding - Community Halls	91,727
8/02/2024	Better off Funding - Heritage Park upgrade	125,327
22/02/2024	Custom House Restoration claim	73,046
29/02/2024	WCWT Opex funding agreement	51,750
29/02/2024	Welcoming Communities Seed Funding Agreement	57,500
29/02/2024	Freedom camping funding agreement	195,500
		1,207,132

Rates Debtors 29 February 2024

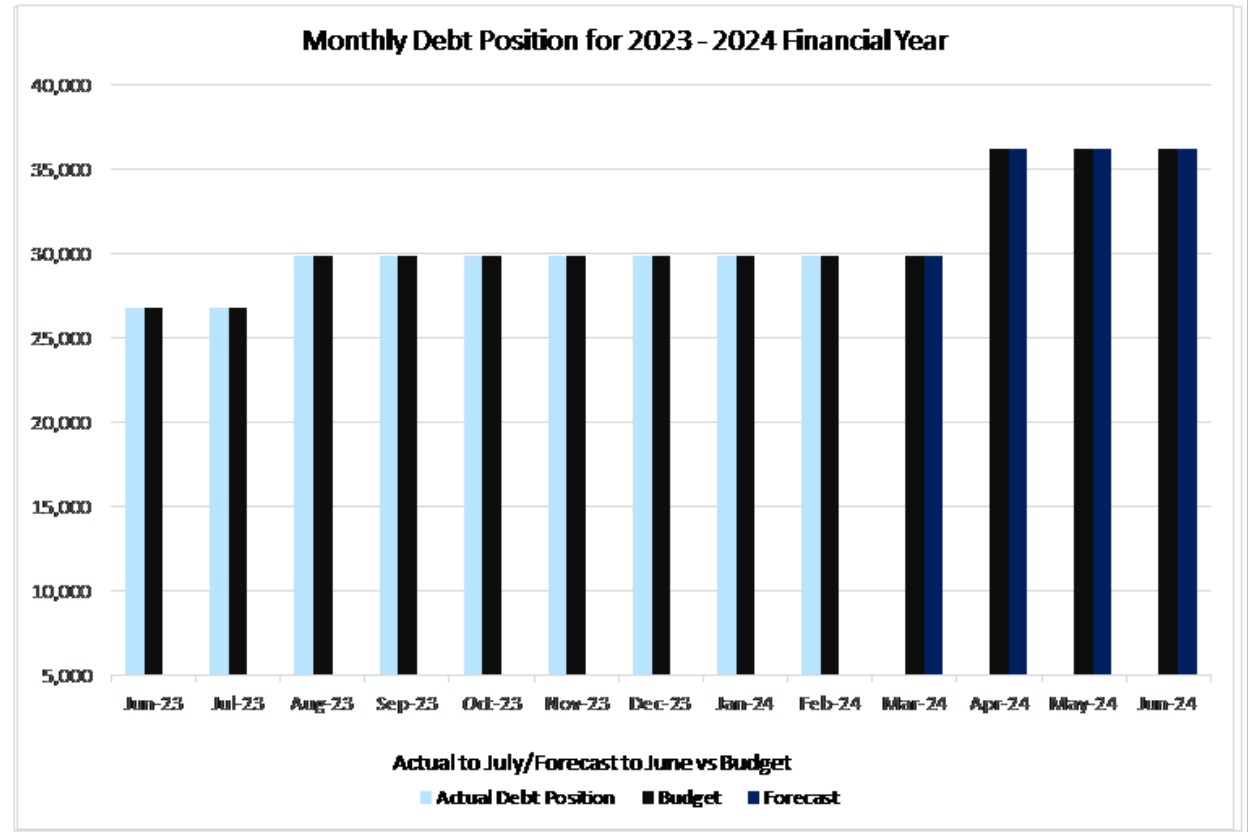
Rates Debtors at 31 January 2024	3,688,452
Rates instalment	-
Less payments received	(3,099,372.22)
Paid in advance change	199,627.99
Previous years write off's	-
Write off's	-
Penalties	32,546.69
Discounts	-
Court Cost	-
	(2,867,197.54)
Total Rates Debtors at 29 February 2024	821,254.02
Arrears included above at 29 February 2024	821,254
Arrears at 29 February 2024	821,660
Increase/(decrease) in arrears	(406)

Debt Position

Debt Position 2023/2024 (\$000)													
	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
Actual Debt Position	26,818	26,818	29,818	29,818	29,818	29,818	29,818	29,818	29,818				
Budget	26,818	26,818	29,818	29,818	29,818	29,818	29,818	29,818	29,818	29,818	36,180	36,180	36,180
Forecast										29,818	36,180	36,180	36,180

Forecast Debt Position for 2023-2024 Financial Year

Forecast as at	Jun-23
Opening Balance	26,818
Loan funded capex forecast	12,362
Forecast repayments 2023-24	-3,000
Forecast balance June 2024 per AP	36,180



Capital Expenditure

Capital Projects 2023/24 As at 29/02/2024			
Project / Activity	YtD Expenses	Carry f/wd + Annual Plan	Forecast
	\$0	\$0	\$0
Leadership	145,646	512,049	327,058
Planning & Regulatory Services	33,219	1,560,708	28,509
Library & Museum	83,084	886,532	889,530
Water Supply	1,093,223	1,954,048	2,078,946
Waste Water	282,869	1,586,805	1,461,460
Solid waste	68,984	822,760	824,338
Storm water	155,079	228,340	191,443
Cemeteries	25,700	98,150	106,167
Swimming pools	2,396,646	2,197,950	2,396,646
Facilities & leisure services - other	348,088	2,498,835	1,247,507
Parks & reserves	1,181,696	7,979,143	5,598,331
Land transportation	657,051	3,741,538	2,747,892
Better Off Funded Projects	588,856	1,499,404	1,343,208
Less Operational Better Off Funding	236,048	615,893	507,376
Total Less Operational Better Off Funding	352,808	883,511	835,832
Unbudgeted capital expenditure	145,507	0	145,507
Funded Projects	12,887	0	0
Total	7,218,534	25,566,261	19,386,542
Total Less Operational Better Off Funding	6,982,486	24,950,368	18,879,165

For full details, please refer to report from District Assets.

Report to Council



DATE: 28 March 2024
TO: Mayor and Councillors
FROM: Strategy and Communications Advisor

Adoption of the Draft Annual Plan 2024/2025 and Draft Consultation Document

1. Summary

- 1.1. The purpose of this report is to provide Council with the Draft Annual Plan 2024/2025 (Appendix 1) and Draft Consultation Document (Appendix 2) for adoption, prior to community engagement.
- 1.2. This issue arises from the requirement under s 95 of the Local Government Act 2002 (LGA) for a local authority to prepare and adopt an annual plan for each financial year.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2021, which are set out in the Long Term Plan 2021 - 2031. Refer page 2 of the agenda.
- 1.4. This report concludes by recommending that Council adopt the Draft Annual Plan 2024/2025 and Draft Consultation Document, and engage with the community.

2. Background

- 2.1. The reason the report has come before the Council is due to the requirement of s 95 LGA to prepare and adopt an annual plan for each financial year prior to the commencement of the year to which it relates.
- 2.2. On 22 February 2024 Council resolved under Schedule 2, cl 48 of the Water Services Acts Repeal Act 2024 (WSARA) to defer adopting the Long Term Plan 2024 – 2034 for 12 months. The result is that an enhanced Annual Plan has been developed under year 4 (2024/2025) of the current Long Term Plan 2021 – 2031.
- 2.3. Staff and Elected Members reviewed the budget for 2024/2025 (Year 4) of the Long Term Plan 2021 – 2031 (LTP) to assess any changes to the activity budgets and the impacts of these changes.
- 2.4. The most significant increases in budgets are in the Three Waters activities due to statutory requirements, as well as re-instating funding of depreciation and asset revaluations.
- 2.5. Fees and charges have been reviewed in line with inflation and to maintain Council's user-pays philosophy as set out in the Council's Revenue and Financing Policy. This has resulted in increases to some of the fees and charges.

3. Current Situation

- 3.1. The current situation is that the Annual Plan and Consultation Document have been drafted based on the requirements of Schedule 2, cls 50 – 51 and 53 of the WSARA to include additional information on Council's groups of activities and capital expenditure, and to consult in a manner that gives effect to s 82 of the LGA.
- 3.2. Elected Members and staff have drafted an Annual Plan that proposes a 19.7% average rate increase. Individual ratepayer's increases vary dependant on location, property capital value and the services provided. The greatest increase will be for households connected to three water services, mainly residential and commercial ratepayers. The general rate increase is 0.68%.
- 3.3. Planned operating revenue is \$40.15 million with planned expenditure of \$37 million. Planned capital expenditure is \$21.2 million and borrowings of \$34.2 million.

4. Options

- 4.1. Option 1: Council adopts the Draft Annual Plan 2024/2025 and the Draft Consultation Document, and engages with the community.
- 4.2. Option 2: Council directs officers to rework aspects of the Draft Annual Plan 2024/2025 and Draft Consultation Document, before engaging with the community.
- 4.3. Option 4: Council does not adopt the Draft Annual Plan 2024/2025 or the Draft Consultation Document.

5. Risk Analysis

- 5.1. Risk has been considered and the following risks have been identified:
 - 5.1.1. Financial risk as delayed consultation could delay adoption of the final Annual Plan, which would prevent the rates being struck for 2024/2025.
 - 5.1.2. Reputational and conduct risk if adoption is delayed.

6. Health and Safety

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

7. Significance and Engagement

- 7.1. The level of significance has been assessed as being medium. The Annual Plan directs Council's budget for the financial year and allows Council to strike rates. Community interest in the content of the Annual Plan and the activities of Council is high.
 - 7.1.1. Public consultation on Annual Plans for 2024/2025 is required under Schedule 2, cl 53 of the WSARA.
- 7.2. The proposed period of consultation is 9am, Tuesday 2 April to 12, Friday 3 May 2024. A hearing with Elected Members will take place on Wednesday 15 May.

8. Assessment of Options (including Financial Considerations)

- 8.1. Option 1: Council adopts the Draft Annual Plan 2024/2025 and the Draft Consultation Document, and engages with the community.
 - 8.1.1. Adopting the draft documents will allow Council to seek feedback from the Community prior to adopting a final Annual Plan 2024/2025.

8.1.2.The following financial implications have been identified:

8.1.2.1. Advertising the Draft Annual Plan engagement through public notices in the newspaper. This has been included in current budgets.

8.2. Option 2: Council directs officers to rework aspects of the Draft Annual Plan 2024/2025 and Draft Consultation Document, before engaging with the community.

8.2.1.If Council directs officers to make changes to the documents, there is a risk that the engagement period will have to be delayed and extended and the final Annual Plan will not be adopted before 30 June 2024.

8.2.2.The following financial implications have been identified:

8.2.2.1. If the final Annual Plan is not adopted by 30 June, Council is unable to strike the rates and will have to apply the same factors as 20233/2024 for the first quarter. This would reduce the revenue available to Council.

8.3. Option 4: Council does not adopt the Draft Annual Plan 2024/2025 or the Draft Consultation Document.

8.3.1.This is not a reasonably practicable option. Council must adopt an Annual Plan by 30 June 2024.

8.3.2.If an Annual Plan is not adopted by 30 June, Council is unable to strike the rates and will have to apply the same factors as 202/2024 for the first quarter. This would reduce the revenue available to Council. Council would not meet the requirements of the LGA and WSARA.

9. Preferred Option(s) and Reasons

9.1. The preferred option is Option 1.

9.2. The reason that Option 1 has been identified as the preferred option is that it allows Council to comply with the LGA and the WSARA and provides an opportunity for the community to engage with the Annual Planning process.

10. Recommendation(s)

10.1. That the report be received.

10.2. That Council adopt the Draft Annual Plan 2024/2025 and Draft Consultation Document.

10.3. That engagement with the community will be undertaken from 9am, Tuesday 2 April to 12pm, Friday 3 May 2024.

Emma Rae
Strategy and Communications Advisor

Appendix 1: Te Kahui o Poutini Westland District Council Draft Annual Plan 2024/2025

Appendix 2: Draft Consultation Document: Te Kahui o Poutini Westland District Council Draft Annual Plan 2024/2025

TE KAHUI O POUTINI WESTLAND DISTRICT COUNCIL ANNUAL PLAN 2024/2025



Tena Koutou

Local government is experiencing turbulent times and over the past 12 months we have been working on forward planning with a great amount of uncertainty as to the future of the three waters activity. It is due to this that we welcome the government's decision to allow Councils to produce an enhanced Annual Plan for the 2024/2025 year in place of a Long Term Plan. We will use the next 12 months to ensure that our Long Term Plan for the next nine years is robust and gives the community comfort about what to expect from Council over that time.

This plan is heavily impacted by the pressure of statutory requirements for monitoring and reporting of the three waters activity, which makes up most of the Council's rate increase for the year. This, in conjunction with unfunded government mandates and inflation pressures coming out of the Covid-19 pandemic, has seen a significant cost increase across the board in all aspects of local government – everything from infrastructure build costs, operating costs, maintenance costs and a drop in available external funding.

While keeping a close eye on debt, we still need to work on some significant projects:

- The Hokitika wastewater treatment plant.
- Working with WCRC on the Franz Josef resilience solution.
- Progressing the Hokitika Racecourse development.
- Hokitika Museum fit out.
- Progressing the Tai Te Poutini One District Plan.
- Confirming the decision around the Council Headquarters.

Council has taken the opportunity to review local grant funding and ensure that what we fund is appropriate. Grants should meet the needs of the community, without placing additional burden on ratepayers. We also intend to continue to take advantage of external funding opportunities to support our community and reduce the rates burden.

Nāku, nā



Helen Lash, Westland District Mayor



Simon Bastion, Chief Executive

Why a 2024/2025 Annual Plan?

In November 2023 the incoming government announced their 100-day plan, including repealing the previous Labour government's Three Water Reform legislation. National's policy, known as 'Local Water Done Well' is to ensure that three waters assets remain with Councils, who will have to meet strict water quality standards and invest in ongoing maintenance and replacement of vital water infrastructure.

The Water Services Acts Repeal Act 2024 was introduced in February 2024 and repeals legislation relating to water services entities and their economic regulation, reinstates previous legislation, but retains technical amendments relating to the regulation of water services by Taumata Arowai – the Water Services Regulator.

Within the Act are transitional arrangements for Councils: allowing Councils that had not begun 2024 – 2034 Long Term Plan (LTP) consultation to delay or defer their LTP for three or 12 months. Westland District Council opted to defer adopting the LTP until June 2025, and has instead issued an enhanced draft Annual Plan 2024/2025. Deferring the LTP gives Council time to ensure that we can share robust and accurate three waters information with our community for the remaining nine years of the LTP.

Later in 2024 further legislation will be introduced that will impose requirements for financial sustainability, economic regulation and structural and financing tools, along with streamlined methods to form Council Controlled Organisations for the delivery of water services with other local Councils. This will provide Council with greater certainty and allow us to produce a better plan within the LTP.

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Council's Strategic Direction

Council Vision

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

Our aspirations, values and role

Active leadership

Council works with integrity and honesty building the respect and confidence of the community.

Togetherness

Building strong relationships and partnerships with stakeholders, encouraging citizens to play an active role within their communities for success.

Future proofing

Safeguarding our unique natural environment and cultural heritage to support communities' resilience in the face of social, economic, and environmental challenges.

Community Wellbeing Outcomes

Sustainable environment

Goals

Reduce the human impact on the environment, while enhancing and protecting the unique natural environment of the Westland District.

This community outcome seeks to improve environmental outcomes and support the community to embrace a culture of sustainability.

Focus areas

Support sustainable waste management practises.

We will develop, lead, and promote sustainable waste management practises.

Care for the environment

We will plan proactively for climate change, promoting and supporting low-carbon, low-energy practises.

Encourage biodiversity.

We will support strategies, plans and policies to enhance and protect and celebrate the district's flora, fauna, and ecosystems.

Diverse economy**Goals**

Enable a prosperous economy that supports and celebrates local businesses success, encouraging both traditional and innovative businesses so that our community thrives.

This community outcome seeks to support a thriving community and economy for the security of future generations.

Focus areas**Collaboration**

We will collaborate with other stakeholders to achieve common outcomes and realise external funding opportunities.

Sustainable growth

We will ensure that development is sustainable, meeting the needs of the present without compromising the ability of future generations to meet their own needs.

Innovation

We will support innovation and new opportunities for diversity within and from traditional Westland industries.

Embracing our culture**Goals**

Enabling a rich cultural life for our citizens where people feel welcomed and have civic engagement.

This community outcome seeks to ensure that all voices are enabled and heard, power is more evenly distributed, and the community can share its strengths.

Focus areas**Enabling community**

We will support initiatives that involve caring for community members at all life stages to reduce isolation and promote inclusion.

Partnership

We will ensure that engagement with iwi promotes partnership, participation, and protection.

Open to innovation

We will support the community to enable community ownership of new initiatives and opportunities.

Community pride and participation

We will actively encourage the community to take part in opportunities for democratic participation and education, and grow community pride through sharing and documenting of local history.

Live and play**Goals**

Westland is a place where communities are safe and healthy; a unique and enjoyable place to live with affordable, accessible social and cultural facilities.

This community outcome seeks to ensure that we provide the infrastructure and opportunities that support our communities and enhance people's health and wellbeing.

Focus areas**Healthy and safe**

We will support community projects that enhance community safety, health and wellbeing for all.

Active lifestyles

We will support opportunities for walking and cycling, connecting our communities safely.

Community spaces

We will develop and maintain community spaces that encourage active participation, reduce social isolation, and enhance wellbeing.

Resilient infrastructure**Goals**

Investing in the future with careful, considered planning of projects which support the growth, development and wellbeing of our communities and environment.

This community outcome seeks to ensure that communities are less vulnerable to natural hazards and climate change and critical transitions are considered for longevity.

Focus areas**Responsive planning**

We will ensure that we will plan our infrastructure to reduce communities' vulnerability to natural hazards and climate change.

Forward focus

Our investment in infrastructure will meet the future needs of the community in an affordable manner.

Data driven decision making

Our decisions will use good quality data and good practice to enable high quality decision making.

Communities first

We will engage with our communities to develop infrastructure solutions that meet the communities needs now and into the future.

The Planning Cycle and the Annual Plan



The Annual Plan and changes to the Long Term Plan

As noted at the beginning of this document, this is the Annual Plan for year 4 of the 2021-2031 Long Term Plan. It has been produced in place of a new Long Term Plan to allow Council time to plan appropriately for the three waters activity following changes in central government policy. This is an enhanced Annual Plan with greater detail about each Council activity and the financial implications within each activity.

The biggest drivers behind Council's 2024/2025 rates increase are in the three waters activity:

- Council has increased funding in Drinking Water, Stormwater and Wastewater to comply with requirements for monitoring and reporting to the Water Services Regulator Taumata Arowai. Increased testing has greatly increased Council's costs.
- In 2023/2024 Council did not fund the depreciation in the three waters activities as no future spending was expected after the ownership of the assets was transferred to the new crown entity. Depreciation funding has been reinstated as Council will retain ownership of the asset under the Local Water Done Well policy.
- Three waters assets were revalued in 2023, resulting in an increase in value of 11.36%. This has a flow-on effect on our depreciation charge.

Council must comply with the legislation and fund the monitoring and reporting requirements to an appropriate level.

Grant funding has been extensively reviewed. Some funding has been withdrawn; in most cases this is funding that was granted based on certain requirements being met. If these have not been met Council has withdrawn the funding. Funding grants that support community activities and wellbeing has been retained. These changes provide some relief for ratepayers.

Summary of Key Changes

TOPIC	COUNCIL DECISION
Council Headquarters	TBC
Land Transport levels of service	TBC
Ross Swimming Pool upgrade	TBC
Franz Josef/Waiiau and Fox Glacier – Glacier Country Community Development funding	TBC
Grant funding	TBC

DRAFT

Changes in day-to-day revenue and expenses

Key changes* to day-to-day Council activities that impact on the budget and have a direct impact on rates are included below.

Some Activities have external funding. This reduces the impact on rates and information is also provided on key changes to these Activities.

All of Council Expenses		Individual Activities
+ \$390,000	Interest revenue: Interest rates are higher than expected and therefore interest received on forecast bank deposits is \$390k higher than the LTP for 2024/2025. Forecast cash deposits are mainly from pre-funding of loans or funded depreciation not yet committed to Capital expenditure and Grant Funding	+ \$475,000 Planning and Regulatory – Fees and charges revenue: The intervening years have seen greater than anticipated building activity in the region. The higher volume is a contributing factor to the expected \$475k increase in revenue.
+ \$602,000	Fees and Charges: Fees and Charges are expected to be \$602k higher than the LTP forecast mainly as a result of a higher than forecast rate of inflation requiring a compensatory increase in fees and some fees and charges undergoing a more extensive review than in prior years.	-\$92,000 Planning and Regulatory – Responsible camping: This Activity is externally funded so the costs (and revenue) are aligned to the funding agreement.
- \$276,000	Finance costs: Finance Costs are lower than the LTP forecast due to the deferral of projects still going through the planning process. The expected total loan balance at the end of 2024/2025 was just under \$44m compared to \$37.2m in the current Annual Plan.	+\$265,000 Community Development – Mayors Taskforce for Jobs: Expenses of \$265k for the Mayors’ Task for Jobs are included in the 2024/25 Annual Plan. These were not budgeted for in the LTP and are offset by anticipated Grant funding of \$260k.
+ \$400,000	Depreciation: The increase in forecast depreciation from \$8.6m to \$9m, is mainly a result of the higher than expected revaluations of infrastructure assets. The revaluations reflected the rising inflation levels over the last couple of years	+\$2,281,600 Community Halls: Expenses include an anticipated non-cash loss on disposal of \$2.3m on the transfer back of a vested asset (Westland Sports Hub) to its original owner. There is no actual cost to the ratepayer for this disposal but there will be costs savings in the future as ratepayers will no longer contributing to the costs of maintaining this asset.
+ \$92,000	Insurance costs: Insurance providers have escalated premiums over the past few years as underwriters have become more risk averse than ever before. As a result, our premiums are expected to be \$92k higher than forecast.	-\$111,500 Museum: The LTP was prepared on the expectation that the Museum would be fully operational in 2024/2025 but due to delays in the planning process, the costs have been reduced in the Annual Plan.

All of Council Expenses

Activities: At the time of preparing the LTP, inflation was never anticipated to be at the levels it has been. Over several years, this has a compounding effect on all of Council expenses, including salaries & wages, across all Activities. The comparatives recorded are against Year Four of the LTP, so, in the majority of cases, higher than expected inflation levels is the reason for the variances in expenditure. Therefore only Activity variances not related to inflation are reported against individual Activities.

-\$76,000

+5.7m

+\$343,800

+\$89,800

+\$131,700

Individual Activities

Parks and reserves: While costs have generally increased across the board, Repairs & Maintenance costs have been contained relative to Year Four of the LTP (lower by \$76k).

Land Transport: Land Transport expenditure programs are developed in conjunction with, and subject to the approval of, Waka Kotahi NZTA. The current Annual Plan reflects a minimum service level review program. Of the increase, \$3.7m relates to special purpose road works which is 100% funded, and the balance of \$2m is 64% funded by Waka Kotahi NZTA with 36% ratepayer funded.

Drinking water: New regulatory requirements have resulted in substantially higher costs. Forecast Monitoring costs have increased from \$67.6k to \$411.4k.

Wastewater: Forecast Monitoring costs have also increased as a result of legislation

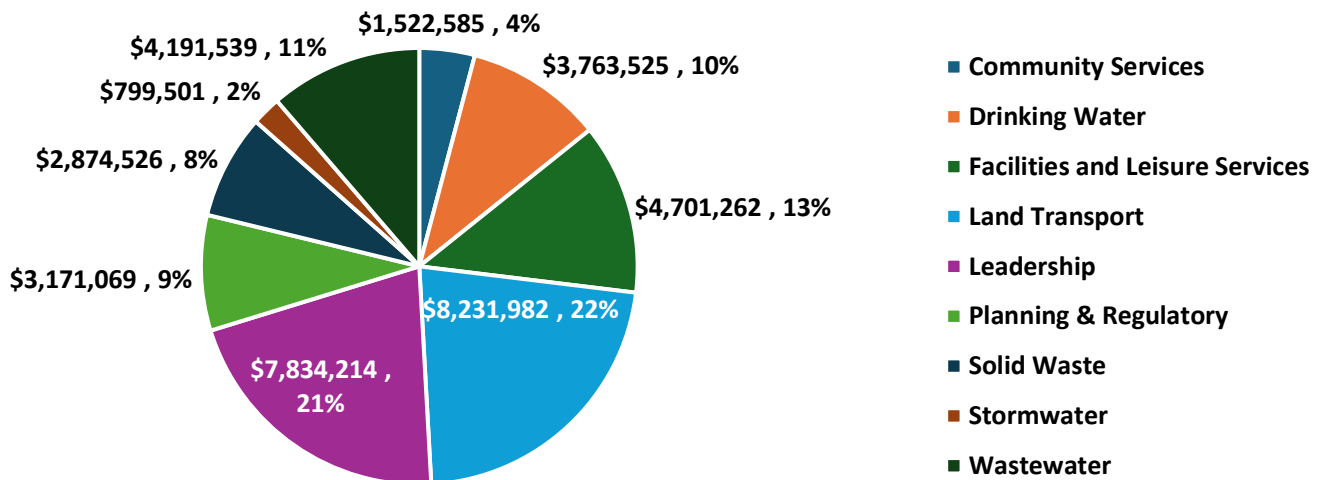
Solid Waste: With the current emphasis on reducing emissions, costs of emission trading are expected to be more than double the LTP forecast.

* Against the Year 4 plan in the LTP 2021-2031

Financial Summary

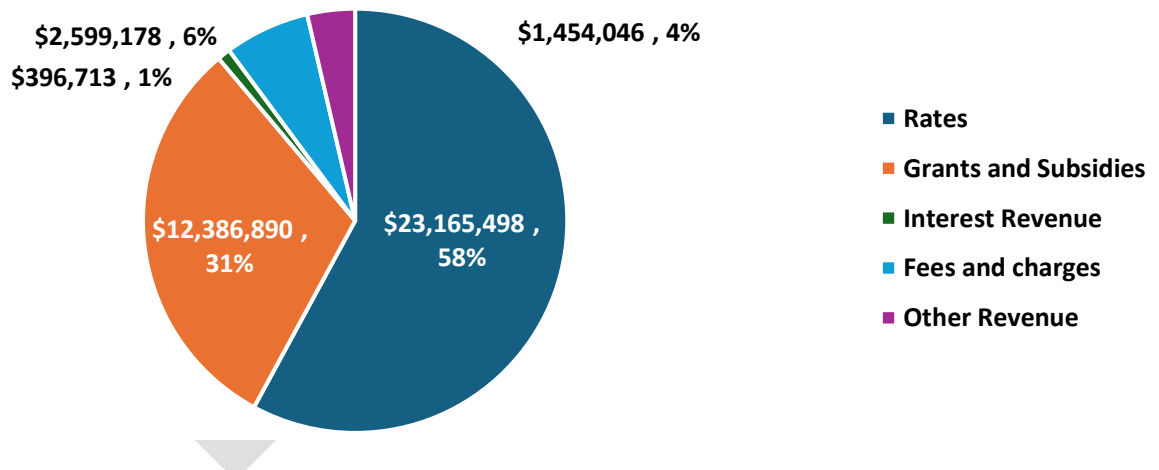
Total Expenditure

This graph shows what Council forecasts spending in operating expenditure for the day-to-day running of Council services and activities during the year (less internal overheads).



Total Revenue

Expenditure is paid for from a mix of rates, fees, interest and dividends on Council's investments, and external sources such as financial assistance from Government agencies (e.g. Waka Kotahi NZTA). The graph shows where forecast Revenue will come from in 2024/2025. These figures* exclude rates remissions, write-offs and discounts, which are not included in the final comprehensive revenue and expenditure.



Other Key Forecast Numbers:

Borrowings:	\$34,244,000	Operating Revenue	\$40,152,000
Reserve Funds:	\$7,752,000	Operating Expenditure	\$37,090,000
Grants and Subsidies:	\$12,387,000	Capital Expenditure	\$21,246,000

Full details of Council's financial forecasts and statements for 2023/2024 can be found on pp 61-67.

Council's groups of activities

Council's services are organised into 9 groups of activities:

Land Transport*	
Drinking Water*	
Stormwater*	
Wastewater*	
Solid Waste	
Planning and Regulatory	Resource Management Consents and Compliance Animal Control Emergency Management
Community Services	Community Development and Assistance Community Halls Township Development
Facilities, and Leisure Services	Cemeteries Hokitika Museum Land and Buildings Parks and Reserves Swimming Pools West Coast Wilderness Trail Westland District Library
Leadership	Democracy Corporate Services

*These groups of activities are defined as mandatory under Schedule 10 of the Local Government Act 2002

Effects of the services we provide on the wellbeing of the community

Council's activities are provided with the aim of maintaining or improving community wellbeing. The positive contributions to wellbeing are outlined in the description of each Activity. Some activities can also cause negative effects that need to be managed or mitigated. These potential significant negative effects, and actions that are taken to mitigate these effects are outlined at the end of this section. Where an activity is not listed, the Council has not found any significant negative effects on the community.

Land Transport

Council has the core function of providing a transport network that is accessible for all people within the district in conjunction with the other transportation agencies. The major part of Council's transportation activity is to ensure the safe, efficient and sustainable maintenance, operation, renewal and upgrading of the roads and bridges.

Land Transport Group's contribution to community wellbeing outcomes

This activity has a particular contribution to the following community wellbeing outcomes:

Community Outcome	<i>Sustainable environment</i>	<i>Diverse economy</i>	<i>Embracing our culture</i>	<i>Live and play</i>	<i>Resilient infrastructure</i>
Contribution	Care for the environment	Collaboration	Partnership	Healthy and safe	Responsive planning
		Sustainable growth	Open to innovation	Active Lifestyles	Forward focus
				Community spaces	Data driven decision-making
					Communities first

How do we measure success?

What we do: Provide safe and well-maintained roading and footpaths, at a reasonable cost to the community.

Our goal	Measure*	Current performance (2022/2023 Annual Report)	Performance targets 2024 – 2034
The transportation network is safe for all users in Westland District	Road safety: The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.	Not achieved 1 fatality 2 serious crashes recorded in the 2022/2023 year.	0 fatalities and serious crash injuries.
The surface condition of roads in Westland is of good quality	Road Condition: The average quality of ride on a sealed local road network, measured by smooth travel exposure.	Not Measured Primary Collector: 95.5% Secondary Collector: 93.4% Access: 91.1% Low Volume: 87.4% No new roughness survey data has been collected hence the similarity with the previous year.	Primary Collector >= 93% Secondary Collector >= 93% Access >= 90% Low Volume >= 89%
The surface condition of roads in Westland is maintained to a high standard	Road maintenance: % of the sealed local road network that is resurfaced	Not achieved 4.8% of sealed local road network resurfaced. Continued rising prices for	≥6.5%

Our goal	Measure*	Current performance (2022/2023 Annual Report)	Performance targets 2024 – 2034
		bitumen have affected this result.	
Footpaths are maintained in good condition and are fit for purpose	Footpaths: % footpaths within a territorial authority district that fall within the Our goal or service standard for the condition of footpaths that is set out in the territorial authority's relevant document (such as its annual plan, activity management plan, asset management plan, annual works program or long term plan).	Achieved Footpath condition ratings are now: Rated between 1-4: 94% Rated Between 1-3: 75% Rated 5: 6% . There is still no agreed Our goal standard for footpaths.	90%
Response to service requests are dealt with promptly	Customer service requests: Customer service requests relating to roads and footpaths to which the territorial authority responds.	Not achieved 47% of Transportation related service requests were responded to within 3 days (154/330 requests).	100% within 3 days
	Why this is important: These measures have been developed by the Department of Internal Affairs - Te Tari Taiwhenua (DIA) and all councils must report on these. They reflect a range of information about our asset condition and responsiveness to service requests that assists us in managing these assets and our service delivery. They also enable us to benchmark against other councils.		

*These performance measures are mandatory under s 261B of the Local Government Act 2002

Prospective Land Transport Statement of Service Performance

For the year ending 30 June 2025

Prospective Land Transport Statement of Service Performance			
	2024 LTP (000's)	2025 LTP (000's)	2025 AP (000's)
Revenue			
Rates	3,353	3,563	3,047
NZTA Subsidy	5,560	4,254	10,926
Total revenue	9,076	7,683	13,973
Expenditure			
Transportation	7,417	7,717	8,899
Total expenditure	7,417	7,717	8,899
Surplus/(Deficit)	1,716	101	5,074
Capital Expenditure			
Road Drain Culverts (3032)	181	189	250
Road Sealed Surface (3057)	136	214	200
Roading Bridges & Structures (3033)	523	535	1,750
Road Traffic Services (3034)	140	150	165
Local Roads Minor Improvements	366	321	700
Road Sealed Surface SPR	157	161	600
Unsealed Road Metalling (3030)	262	268	212
Road Sealed Surface (3031)	923	1,124	1,548
Road Drain Culverts SPR	28	29	200
Road Sealed Surface SPR	157	161	-
Roading Bridges & Structures SPR	1,094	155	1,500
Road Traffic Services SPR	10	11	15
Roading Minor Improvements SPR	523	107	2,000
Footpath Upgrades	74	107	100
Total Capital Expenditure	4,575	3,531	9,241

Prospective Land Transport Funding Impact Statement

For the year ending 30 June 2025

Prospective Group Level Funding Impact Statement			
	Long Term Plan 2023/2024 \$000	Long Term Plan 2024/2025 \$000	Annual Plan 2024/2025 \$000
Land Transport			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	3,353	3,563	3,047
Subsidies and grants for operating purposes	1,975	2,064	3,459
Total Operating Funding (A)	5,328	5,628	6,505
Applications of Operating Funding			
Payments to staff and suppliers	3,128	3,434	4,532
Finance Costs	21	22	30
Internal charges and overheads applied	554	547	667
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	3,704	4,003	5,230
Surplus/(Deficit) of Operating Funding (A - B)	1,624	1,624	1,275
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	3,585	2,190	7,468
Development and financial contributions	-	-	-
Increase (decrease) in debt	(48)	(48)	(49)
Total Sources of Capital Funding (C)	3,537	2,141	7,419
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	4,575	3,531	9,241
Increase (decrease) in reserves	586	234	(547)
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	5,161	3,766	8,694
Surplus/(Deficit) of Capital Funding (C - D)	(1,624)	(1,624)	(1,275)
Funding Balance ((A - B) + (C - D))	-	-	-

Drinking Water

Council is responsible for providing safe, reliable drinking water to Council reticulated consumers as per the Water Service Act 2021. Council aims to comply with the latest Drinking Water Quality Assurance Rules and report on the Network Environmental Performance Measures.

Council supplies nine communities with drinking water and has 2,837 service connections across the District (Kumara, Arahura, Hokitika, Ross, Harihari, Whataroa, Franz Josef Glacier, Fox Glacier and Haast).

Water Supply Group's contribution to community wellbeing outcomes

This activity has a particular contribution to the following community wellbeing outcomes:

Community Outcome	<i>Sustainable Environment</i>	<i>Resilient Infrastructure</i>
Contribution	Care for the environment	Responsive planning
	Encourage biodiversity	Forward focus
		Data driven decision-making
		Communities first

How do we measure success?

What we do: Deliver safe drinking water efficiently and effectively to urban households.

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 – 2034
Council supplied potable water is safe to drink	<p>Safety of drinking water:</p> <p>The extent to which the local authority's drinking water supply complies with:</p> <p>a) Part 4 of the drinking water standards (bacteria compliance criteria), and</p> <p>b) Part 5 of the drinking-water standards (protozoal compliance criteria)</p>	<p>Not achieved</p> <p>a) 6 out of the 9 supplies are fully compliant with bacterial compliance criteria at both the water treatment plant and in the distribution zone.</p> <p>Fox Glacier is on a permanent boil water notice until the new WTP is operational.</p> <p>Not achieved</p> <p>b) 0 out of the 9 supplies are compliant with protozoal compliance criteria.</p> <p>Non-compliance is due to technical requirements to prove compliance.</p> <p>Barriers for protozoa are in place and Council staff are working with Lutra on implementing their data compliance tool,</p>	<p>a) 90%</p> <p>b) 90%</p>

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 – 2034
		Infrastructure Data, at the treatment plants to assist with compliance in this area.	
Requests for service are dealt with promptly	<p>Fault response times:</p> <p>Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured:</p> <p>a) % attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (2 hours) , and</p> <p>b) % resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption. (12 hours)</p> <p>c) % attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (24 hours) , and</p> <p>d) % resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption (72 hours).</p>	<p>Not achieved</p> <p>a) 20% (15/76)</p> <p>b) 78% (59/76)</p> <p>c) 51% (79/148)</p> <p>d) 74% (115/148)</p>	<p>a) 95%</p> <p>b) 100%</p> <p>c) 100%</p> <p>d) 100%</p>
Council supplied water is reliable	<p>Maintenance of the reticulation network:</p> <p>The percentage of real water loss from the local authority's networked reticulation system (including a description of the methodology used to calculate this).</p>	<p>Not measured</p> <p>Monitored in a number of ways including; telemetry, water meters, repair program, mains replacements and pressure management. This is in context with the Benchloss NZ Manual.</p>	<p>Council does not intend to measure this as it will impose an unreasonable cost.</p>
	<p>Demand management:</p> <p>The average consumption of drinking water per day per</p>	<p>Not measured.</p> <p>Council does not have the equipment to measure average</p>	<p>The average water consumption per person</p>

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 – 2034
	resident within the territorial authority district is < 500l/day.	consumption hence a new three yearly measurement has not been performed since 2016/2017. <i>Most recent measurement was 2016/2017: Winter 253l per head, Summer 480l per head</i>	per day is < 500l/day.
Customers are generally satisfied with the Council supplied water	<p>Customer satisfaction:</p> <p>The total number of complaints received by the local authority about any of the following:</p> <ul style="list-style-type: none"> a) Drinking water clarity b) Drinking water taste c) Drinking water odour d) Drinking water pressure or flow e) Continuity of supply, and f) The local authority's response to any of these issues. <p>Expressed per 1000 connections to the local authority's networked reticulation system.</p>	<p>Not achieved</p> <ul style="list-style-type: none"> a) 2 b) 0 c) 0 d) 9 e) 75 f) 5 <p>Total number of complaints = 91</p> <p>Complaints per 1000 connections = 32 (2837 connections)</p> <p>The total number of complaints is high this year due to a non-programmed unnotified water shutdown affecting all of the Hokitika & Kaniere area in the first quarter.</p>	<p>Expressed per 1000 connections to the local authority's networked reticulation system:</p> <p>25 complaints per 1000 connections</p>
	<p>Why this is important:</p> <p>These measures have been developed by the Department of Internal Affairs - Te Tari Taiwhenua (DIA) and all councils must report on these. They reflect a range of information about our asset condition and responsiveness to service requests that assists us in managing these assets and our service delivery. They also enable us to benchmark against other councils.</p>		

Prospective Drinking Water Statement of Service Performance

For the year ending 30 June 2025

Prospective Drinking Water Statement of Service Performance			
	2024 LTP (000's)	2025 LTP (000's)	2025 AP (000's)
Revenue			
Rates	3,817	3,880	4,954
Interest and dividends	2	2	1
Recoveries	8	9	32
Total revenue	3,827	3,890	4,987
Expenditure			
General	1,240	1,231	1,419
Hokitika	903	940	1,148
Arahura	68	71	189
Kumara	128	134	176
Kaniere	596	596	630
Ross	158	162	273
Harihari	152	157	223
Whataroa	124	129	169
Franz Josef	229	236	267
Fox Glacier	137	141	296
Haast	91	93	198
Total expenditure	3,827	3,890	4,987
Surplus/(Deficit)	-	-	-

Prospective Drinking Water Statement of Service Performance

	2024 LTP (000's)	2025 LTP (000's)	2025 AP (000's)
Capital Expenditure			
All areas - New service requests	-	-	5
Arahura - Security fencing and cameras*	-	-	25
Arahura - WTP components	5	-	-
Fox Glacier - Security fencing and cameras*	-	-	25
Fox Glacier - WTP components	5	-	-
Franz Josef - Water Meters Replacement*	-	-	110
Franz Josef - Watermains/Points Replacement*	-	-	240
Franz Josef - WTP components	5	-	-
Franz Josef - Security fencing and cameras*	-	-	25
Haast - WTP components	5	-	-
Hari Hari - Seismic valves (main outlet)	-	43	-
Hari Hari - Security fencing and cameras*	-	-	25
Hari Hari - WTP components	5	-	-
Hokitika - Mains replacement (2025 - Town Belt Horth to West Drive)*	262	-	800
Hokitika - Security Cameras*	-	-	25
Hokitika - Water meter replacements**	-	-	71
Hokitika- WTP components	5	-	-
Kumara - Control Valves (in conjunction with reservoir replacements)	-	-	25
Kumara - Reservoirs replacements	-	283	342
Kumara - Security fencing and cameras*	-	-	25
Kumara - WTP components	5	-	-
Ross - Security fencing and cameras*	-	-	25
Ross - Watermain & Fittings Replacements**	-	-	170
Ross - WTP components	5	-	-
Whataroa - Security cameras*	-	-	25
Whataroa - WTP components	5	-	-
Total Capital Expenditure	309	325	1,963

* Identified in the 3 Waters reform review as part of the transition during the planning stage. These projects have been carried over into the Annual Plan.

** Subsequent asset reviews identified replacements required.

Prospective Drinking Water Funding Impact Statement

For the year ending 30 June 2025

Prospective Group Level Funding Impact Statement			
	Long Term Plan 2023/2024 \$000	Long Term Plan 2024/2025 \$000	Annual Plan 2024/2025 \$000
Water Supply			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	-	-	130
Targeted Rates	3,870	3,933	4,825
Interest and dividends from investments	2	2	1
Local authorities fuel tax, fines, infringement fees, and other receipts	8	9	32
Total Operating Funding (A)	3,879	3,943	4,987
Applications of Operating Funding			
Payments to staff and suppliers	1,275	1,349	1,996
Finance Costs	102	108	143
Internal charges and overheads applied	1,100	1,085	1,223
Total Applications of Operating Funding (B)	2,478	2,542	3,362
Surplus/(Deficit) of Operating Funding (A - B)	1,402	1,402	1,625
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Increase (decrease) in debt	(221)	(178)	1,060
Total Sources of Capital Funding (C)	(221)	(178)	1,060
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	-	-	800
- to improve the level of service	-	43	517
- to replace existing assets	309	283	646
Increase (decrease) in reserves	872	898	723
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	1,181	1,224	2,685
Surplus/(Deficit) of Capital Funding (C - D)	(1,402)	(1,402)	(1,625)
Funding Balance ((A - B) + (C - D))	-	-	-

Stormwater

Council is responsible for the protection of public health and the environment and to provide for the economic wellbeing of the district. This includes the disposal of excess rainfall runoff from urban and rural areas by means of drainage systems including open channels, reticulated pipe networks and other structures that fall under the Three Waters Activity. The majority of rural drainage comes under the Land Transport Activity. Council aims to comply with its current consent conditions and report on the Network Performance Measures when applicable.

Hokitika is the only township with a purpose-built reticulation system while other townships are less developed and are mostly road drainage.

Stormwater Group's contribution to community wellbeing outcomes

This activity has a particular contribution to the following community wellbeing outcomes:

Community Outcome	<i>Sustainable Environment</i>	<i>Resilient Infrastructure</i>
Contribution	Care for the environment	Responsive planning
	Encourage biodiversity	Forward focus
		Data driven decision-making
		Communities first

How do we measure success?

What we do: Deliver urban stormwater systems efficiently and effectively to protect public health and private property.

Our goal	Measure	Current performance (2022/2023 Report)	Annual Performance targets 2024 – 2034
Council Stormwater systems have the capacity to resist major storms and flooding events	System adequacy: a) The number of flooding events that occur in a territorial authority district. No more than 2. b) For each flooding event, the number of habitable floors affected. 10 per 1000 properties connected to the territorial authority's stormwater system.	Not measured a) 0 – flooding events affecting habitable floors within the Council reticulated stormwater system. Not measured b) Total habitable floors = 0 Per 1000 connections = 0 (556 connections)	a) . No more than 2. b) 10 per 1000 properties connected to the territorial authority's stormwater system.
Requests for service are dealt with promptly	Response times: The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site. (within 2 hours)	Not measured There were no reported flooding events for the 2022/2023 year.	95%

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 – 2034
	<p>Customer Satisfaction:</p> <p>The number of complaints received by a territorial authority about the performance of its storm water system, expressed per 1000 properties connected to the territorial authority's storm water system.</p>	<p>Not achieved</p> <p>Total number of complaints = 26 Complaints per 1000 = 46.8</p> <p>A 'complaint' is a service request regarding any of: ponding, complaints, and reported flood events.</p> <p>Several heavy rain events throughout the year resulted in an increase in requests regarding ponding.</p>	<p>10 per 1000 Stormwater connections</p>
<p>Council storm water systems protect the natural environment</p>	<p>Discharge compliance:</p> <p>Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of:</p> <ul style="list-style-type: none"> a) Abatement notices b) Infringement notices c) Enforcement orders; and d) convictions 	<p>Achieved</p> <ul style="list-style-type: none"> a) 0 b) 0 c) 0 d) 0 <p>100% compliance.</p>	<p>100%</p>
	<p>Why this is important:</p> <p>These measures have been developed by the Department of Internal Affairs - Te Tari Taiwhenua (DIA) and all councils must report on these. They reflect a range of information about our asset condition and responsiveness to service requests that assists us in managing these assets and our service delivery. They also enable us to benchmark against other councils.</p>		

Prospective Stormwater Statement of Service Performance

For the year ending 30 June 2025

Prospective Stormwater Statement of Service Performance			
	2024 LTP (000's)	2025 LTP (000's)	2025 AP (000's)
Revenue			
Rates	975	983	1,075
Grants, subsidies and donations	-	-	0
Other Revenue	-	-	0
Total revenue	975	983	1,075
Expenditure			
Stormwater	975	983	1,075
Total expenditure	975	983	1,075
Surplus/(Deficit)	-	-	-
Capital Expenditure			
Hokitika - Contributions towards new developments	10	11	-
Hokitika Retic CCTV	-	-	-
Hokitika - Mains replacement	165	169	85
Hokitika - Pump upgrades	-	-	260
Hokitika - Pump upgrade (Livingstone St)	-	535	1,000
Hokitika - New service requests	-	-	5
Total Capital Expenditure	175	715	1,350

Prospective Stormwater Funding Impact Statement

For the year ending 30 June 2025

Prospective Group Level Funding Impact Statement			
	Long Term Plan 2023/2024 \$000	Long Term Plan 2024/2025 \$000	Annual Plan 2024/2025 \$000
Stormwater			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
Targeted Rates	986	994	1,075
Total Operating Funding (A)	986	994	1,075
Applications of Operating Funding			
Payments to staff and suppliers	177	181	186
Finance Costs	108	115	91
Internal charges and overheads applied	229	226	276
Total Applications of Operating Funding (B)	515	523	552
Surplus/(Deficit) of Operating Funding (A - B)	471	471	523
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Increase (decrease) in debt	(209)	58	589
Total Sources of Capital Funding (C)	(209)	58	589
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	10	11	-
- to improve the level of service	-	268	720
- to replace existing assets	165	436	630
Increase (decrease) in reserves	86	(185)	(238)
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	262	529	1,112
Surplus/(Deficit) of Capital Funding (C - D)	(471)	(471)	(523)
Funding Balance ((A - B) + (C - D))	-	-	-

Wastewater

Council is responsible for the protection of public health and the environment and to provide for the economic wellbeing of the district. This includes the treatment and disposal of Council reticulated wastewater. Council aims to comply with its current consent conditions and report on the Network Performance Measures when applicable.

Council owns and manages four wastewater schemes within the district (Hokitika; Franz Josef; Fox Glacier; and Haast).

Wastewater Group's contribution to community wellbeing outcomes

This activity has a particular contribution to the following community wellbeing outcomes:

Community Outcome	<i>Sustainable Environment</i>	<i>Embracing our culture</i>	<i>Resilient Infrastructure</i>
Contribution	Care for the environment	Partnership	Responsive planning
	Encourage biodiversity	Open to innovation	Forward focus
			Data driven decision-making
			Communities first

How do we measure success?

What we do: Deliver safe and acceptable systems for the collection, transfer and disposal of wastewater.

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 – 2034
Council wastewater systems are managed without risk to public health	System and adequacy: The number of dry weather sewerage overflows from the territorial authority's sewerage system.	Achieved 2 dry weather overflows reported. Complaints per 1000 connections = 0.9 (2208 connections)	10 per 1000 Wastewater connections
Council wastewater systems are safe and compliant	Discharge compliance: Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of: a) abatement notices b) infringement notices c) enforcement orders, and d) convictions. Received by the territorial authority in relation those resource consents.	Achieved a) 0 b) 0 c) 0 d) 0 100% compliance achieved.	100%
Customers are generally satisfied with the Council	Fault response times: Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's	Not achieved a) 50% (1/2) Not achieved b) 50% (1/2)	a) 95% b) 90% .

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 – 2034
wastewater systems	sewerage system, the following median response times measured: <ul style="list-style-type: none"> a) attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site (2 hours); and b) resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault (4 hours). 		
	<p>Customer satisfaction:</p> <p>The total number of complaints received by the territorial authority about any of the following:</p> <ul style="list-style-type: none"> a) sewage odour b) sewerage system faults c) sewerage system blockages, and d) the territorial authority's response to issues with its sewerage system, <p>10 per 1000 connections</p>	<p>Achieved</p> <ul style="list-style-type: none"> a) 0 b) 2 c) 10 d) 1 <p>Total number of complaints = 13</p> <p>Complaints per 1000 connections = 5.9 (2208 connections)</p>	<p>10 per 1000 Wastewater connections</p>
	<p>Why this is important:</p> <p>These measures have been developed by the Department of Internal Affairs - Te Tari Taiwhenua (DIA) and all councils must report on these. They reflect a range of information about our asset condition and responsiveness to service requests that assists us in managing these assets and our service delivery. They also enable us to benchmark against other councils.</p>		

Prospective Wastewater Statement of Service Performance

For the year ending 30 June 2025

Prospective Wastewater Statement of Service Performance			
	2024 LTP (000's)	2025 LTP (000's)	2025 AP (000's)
Revenue			
Rates	1,764	1,862	2,034
Fees and Charges	113	116	110
Grants, subsidies and donations	-	-	0
Interest and dividends	6	6	1
Recoveries	2	2	0
Other Revenue	-	-	16
Total revenue	1,885	1,986	2,160
Expenditure			
General	463	500	445
Hokitika	717	770	801
Arahura	1	1	2
Kanieri	76	77	90
Franz Josef	439	445	481
Fox Glacier	87	89	171
Haast	102	104	155
Total expenditure	1,885	1,986	2,144
Surplus/(Deficit)	0	0	16
Capital Expenditure			
All areas - New service requests	-	-	10
Fox Glacier - Network growth	3	3	-
Fox Glacier - Upgrade Pump Stations - Pumps and Components	-	-	88
Fox Glacier - WWTP components	-	5	-
Fox Glacier - WWTP Components replacement	-	-	18
Franz Josef - Retic I&I (follow up programme from 2022)	-	-	50
Franz Josef - Network growth	3	3	-
Franz Josef - Upgrade Pump Stations - Pumps and Components	-	-	88
Franz Josef - Security cameras at WWTP	-	-	20
Franz Josef - WWTP components	-	5	18
Haast - Network growth	3	3	-
Haast - WWTP components replacement	-	5	18
Haast - Upgrade Pump Stations - Pumps and Components	-	-	88
Hokitika - Design and build new WWTP	3,140	3,212	3,000
Hokitika - Mains replacement	-	698	-
Hokitika - Network growth	3	3	-
Hokitika - Retic I&I (follow up programme from 2022)	-	-	50
Hokitika - Sewell St Pump Station New Generator	-	-	60
Hokitika- Upgrade Pump Stations - Pumps and Components	-	-	88
Hokitika - WWTP components replacements	-	5	18
Hokitika -Z-line section replacement	118	-	-
Total Capital Expenditure	3,268	3,942	3,610

Prospective Wastewater Funding Impact Statement

For the year ending 30 June 2025

Prospective Group Level Funding Impact Statement			
	Long Term Plan 2023/2024 \$000	Long Term Plan 2024/2025 \$000	Annual Plan 2024/2025 \$000
Wastewater			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	-	-	61
Targeted Rates	1,776	1,875	1,973
Fees and charges	113	116	110
Interest and dividends from investments	6	6	1
Local authorities fuel tax, fines, infringement fees, and other receipts	2	2	16
Total Operating Funding (A)	1,897	1,998	2,160
Applications of Operating Funding			
Payments to staff and suppliers	502	528	669
Finance Costs	147	186	164
Internal charges and overheads applied	260	256	313
Total Applications of Operating Funding (B)	908	970	1,145
Surplus/(Deficit) of Operating Funding (A - B)	989	1,028	1,015
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Increase (decrease) in debt	636	611	2,957
Total Sources of Capital Funding (C)	636	611	2,957
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	324	332	-
- to improve the level of service	628	642	3,190
- to replace existing assets	2,316	2,968	420
Increase (decrease) in reserves	(1,643)	(2,303)	362
Total Applications of Capital Funding (D)	1,625	1,639	3,972
Surplus/(Deficit) of Capital Funding (C - D)	(989)	(1,028)	(1,015)
Funding Balance ((A - B) + (C - D))	-	-	-

Solid Waste

Council provides safe and effective waste collection, recovery and disposal service across Westland District, with a focus on minimising waste. Council manages the overall activity and waste minimisation sites and facilities. Solid waste and recyclables are collected from the kerbside in Kumara, Ross, Hokitika and Kaniere townships, and the main roads in between, on alternate weeks. Contractors also provide transfer stations, landfill, composting and recycling operations.

Council has obligations under legislation including the Waste Minimisation Act 2008, Local Government Act 2002, Resource Management Act 1991, Hazardous Substances and New Organisms Act 1996. Obligations also exist from various resource and land use consents granted for our facilities (including landfills) by the West Coast Regional Council and the Westland District Council.

Solid Waste Group's contribution to community wellbeing outcomes

This activity has a particular contribution to the following community wellbeing outcomes:

Community Outcome	<i>Sustainable Environment</i>	<i>Diverse economy</i>	<i>Embracing our culture</i>	<i>Live and play</i>	<i>Resilient Infrastructure</i>
Contribution	Support sustainable waste management practises.	Collaboration	Partnership	Healthy and safe	Responsive planning
	Care for the environment	Sustainable growth	Open to innovation		Forward focus
		Innovation			Data driven decision-making
					Communities first

How do we measure success?

What we do: Provide solid waste solutions across the district, from rubbish bins in public areas, to urban and rural transfer stations.

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 – 2034
Solid waste is managed appropriately	All necessary consents for solid waste activities and capital projects are applied for, held and monitored accordingly.	Achieved 100% consents in place and monitored.	100%
	Why this is important: We have resource consents that specify certain conditions that we must meet when delivering solid waste services. Meeting our resource consent conditions minimises the impact of this service on our environment.		
Maximised recycling efficiency	Reduce incidents of recycling bin contamination.	Not achieved 17% contamination.	15% or lower contamination per year.

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 – 2034
		Investigation is underway to seek clarification on the recent rise in contamination.	
<p>Why this is important:</p> <p>We aim to reduce the amount of waste going to landfill through our efforts to encourage and enable reduction, reuse or recycling. The less recycling material that is contaminated, the greater the amount that can be sent for recycling.</p>			

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Prospective Solid Waste Statement of Service Performance

For the year ending 30 June 2025

Prospective Solid Waste Statement of Service Performance			
	2024 LTP (000's)	2025 LTP (000's)	2025 AP (000's)
Revenue			
Rates	2,069	2,099	2,120
Fees and Charges	831	882	1,031
Grants, subsidies and donations	-	-	0
Recoveries	5	5	0
Other Revenue	5	5	9
Total revenue	2,910	2,991	3,160
Expenditure			
Collections	772	772	825
Transfer station	2,004	2,081	2,583
Total expenditure	2,776	2,853	3,408
Surplus/(Deficit)	134	138	(248)
Capital Expenditure			
Butlers Landfill - Intermediate capping	-	-	30
Emissions Trading - Carbon Credits	-	-	280
Hannahs Clearing - Landfill protection	-	21	-
Haast - Landfill capping	-	-	30
Hari Hari - Landfill protection	-	21	20
Hokitika - Refuse - general upgrade	-	-	10
Hokitika - Refuse shed 2 - Roof replacement	31	-	-
Neils Beach - Landfill protection	-	21	-
Hokitika - Misc equipment for waste minimisation	52	54	54
Total Capital Expenditure	84	118	424

Prospective Solid Waste Funding Impact Statement

For the year ending 30 June 2025

Prospective Group Level Funding Impact Statement			
	Long Term Plan 2023/2024 \$000	Long Term Plan 2024/2025 \$000	Annual Plan 2024/2025 \$000
Solid Waste			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	1,275	1,288	1,295
Targeted Rates	815	833	825
Subsidies and grants for operating purposes	-	-	-
Fees and charges	831	882	1,031
Interest and dividends from investments	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	10	10	9
Internal charges and overheads recovered	-	-	-
Total Operating Funding (A)	2,931	3,012	3,160
Applications of Operating Funding			
Payments to staff and suppliers	2,136	2,212	2,420
Finance Costs	73	78	134
Internal charges and overheads applied	443	437	533
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	2,653	2,728	3,088
Surplus/(Deficit) of Operating Funding (A - B)	279	285	72
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Increase (decrease) in debt	(131)	(101)	169
Total Sources of Capital Funding (C)	(131)	(101)	169
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	-	58	54
- to replace existing assets	84	60	370
Increase (decrease) in reserves	64	66	(182)
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	148	184	241
Surplus/(Deficit) of Capital Funding (C - D)	(279)	(285)	(72)
Funding Balance ((A - B) + (C - D))	-	-	-

Planning and Regulatory

We provide planning and regulatory services to manage the natural and physical resources of the district, and to promote and protect the health and safety of our communities.

We have combined the following activities into the Planning and Regulatory group as they align to provide good-quality local public services and perform regulatory functions:

Planning and Regulatory	Resource Management Consents and Compliance Animal Control Emergency Management
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Planning and Regulatory Group’s contribution to community wellbeing outcomes

These activities have a particular contribution to the following community wellbeing outcomes:

Community Outcome	<i>Sustainable Environment</i>	<i>Diverse economy</i>	<i>Embracing our culture</i>	<i>Live and play</i>	<i>Resilient Infrastructure</i>
Contribution	Support sustainable waste management practises	Collaboration	Partnership	Healthy and safe	Responsive planning
	Care for the environment	Sustainable growth	Open to innovation	Active lifestyles	Forward focus
	Encourage biodiversity	Innovation	Community pride and participation		Data driven decision-making
					Communities first

Resource Management

How do we measure success?

What we do: Deliver sound policy and regulation to protect the environment.

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 - 2034
Resource consents processed in accordance with relevant legislation	% of resource consents processed within statutory time frames	Not achieved 93.5% of resource consents were processed within statutory time frames.	100%

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 - 2034
		<p>91.8% land use consents and 97.4% subdivision consents = 123 consents in total.</p> <p>Statutory timeframes were exceeded on 8 resource consents due to staffing shortages.</p>	
<p>Why this is important:</p> <p>We know that it is important to our customers that we process their consents in a timely manner. We also want to meet our statutory obligations.</p>			

Consents and compliance

How do we measure success?

What we do: Deliver fair, appropriate and customer-friendly inspections and compliance services that support community health and safety.

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 - 2034
Timely processing of Building Consents.	% of building consents processed within 20 working days as per the requirements of the Building Act	<p>Not achieved</p> <p>Consents issued = 263</p> <p>94% issued within the 20 day statutory timeframe.</p> <p>12 consents (6%) were issued outside of the statutory timeframe.</p>	100%
Timely processing of Code Compliance Certificates.	% of Code Compliance Certificates processed within 20 working days as per the requirements of the Building Act	<p>New Measure</p> <p><i>Required by the Building Act. Baseline to be established.</i></p>	100%
<p>Why this is important:</p> <p>We know that it is important to our customers that we process their consents in a timely manner. We also want to meet our statutory obligations.</p>			
Encourage compliance with health standards by undertaking inspections so that all food, liquor and other licensed premises comply with the relevant legislation.	% licensed and registered premises are inspected prior to renewal of licence.	<p>Food Premises</p> <p>Not achieved</p> <p>93% (82/88 – based on currently registered businesses)</p>	100%
		<p>Liquor Premises</p> <p>Not achieved</p>	100%

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 - 2034
		96% (49/51 – based on currently registered businesses)	
<p>Why this is important:</p> <p>We know that it is important to our customers that they are able to renew their licences in a timely manner. We also want to meet our statutory obligations and ensure that hospitality businesses are safe for patrons.</p>			

Animal Control

How do we measure success?

What we do: Deliver fair, appropriate and customer-friendly inspections and compliance services that support animal owners and community health and safety.

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 – 2034
Keep the public safe from dogs and wandering stock	% of known dogs registered, or infringed, for failure to register by 1 September each year.	Achieved 99.2% - 2059/2075 known dogs registered	100%
	Response times to Priority 1 callouts:	Achieved 100% - 11 / 11 of response times to priority 1 callouts in 30 minutes or less	30 minutes or less (excluding travel time)
<p>Why this is important:</p> <p>Dogs that are registered are more likely to be managed responsibly by their owner. Registered dogs can be reunited with owners more quickly if they are found wandering and this can reduce the overall cost to the owner of pound and compliance fees.</p> <p>The faster that staff can respond to a priority 1 callout, the greater the likelihood of apprehending the offending dog and dealing with the matter appropriately.</p>			

Emergency Management

How do we measure success?

What we do: Improve the readiness of communities to respond to emergency events and build emergency management capability across the sector.

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 – 2034
Council is prepared for and maintains an effective response capacity to manage civil defence emergencies	Council's e-text alerting system is tested twice per annum.	Achieved Council has utilised e-text system to send 44,698 messages in the last 12 months.	Achieved

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 – 2034
	At least one Emergency Operations Centre (EOC), and community group activation occurs annually (event or exercise).	Achieved Achieved multiple partial activations during financial year. EOC fully set up more than twice.	Achieved
	At least two training sessions are held annually for Council CDEM Incident Management Personnel and community groups.	Achieved Welfare Needs Assessment, Assessor training and lifelines coordination training were all run in May 2023. These were open to staff and the public. A CIMS4 course was also run in Greymouth that was open to all West Coast Council staff and the public.	Achieved
	Why this is important: An emergency event can occur at any time. It is important that EOC staff and community groups are prepared for and can support the community during an emergency event.		
CDEM relationships with WC CDEM Group territorial authorities, emergency services, and life line utilities are maintained and strengthened	Council is represented at CDEMG Joint Committee meetings by the Mayor, or a nominated attendee.	Achieved Council was represented at 4/4 meetings = 100% of the time.	100% of the time
	Council is represented at CEG meetings by the Chief Executive or a nominated attendee.	Achieved Council was represented at 4/4 meetings = 100% of the time.	100% of the time
	Why this is important: Council needs to be represented at emergency management committees to take part in decision making that affects the Westland District. It is also important to build and maintain relationships with other key organisations.		

Prospective Planning and Regulatory Statement of Service Performance

For the year ending 30 June 2025

Prospective Planning & Regulatory Statement of Service Performance			
	2024 LTP (000's)	2025 LTP (000's)	2025 AP (000's)
Revenue			
Rates	2,009	2,462	2,646
Fees and Charges	759	775	1,250
Grants, subsidies and donations	472	483	328
Recoveries	52	53	0
Other Revenue	182	186	199
Total revenue	3,474	3,959	4,423
Expenditure			
Planning and compliance	1,722	1,689	2,437
Animal control	330	329	446
Resource management	813	821	982
Emergency management	134	135	159
Responsible camping	507	517	425
Total expenditure	3,505	3,491	4,449
Surplus/(Deficit)	(32)	468	(26)
Capital Expenditure			
Civil Defence - Alternate water supply	-	-	59
Civil Defence - EMAT Cache	-	-	32
Civil Defence Generators	-	-	37
Emergency communications	-	-	28
Emergency equipment container	-	-	31
Total Capital Expenditure	-	-	187

Prospective Planning and Regulatory Funding Impact Statement

For the year ending 30 June 2025

Prospective Group Level Funding Impact Statement			
	Long Term Plan 2023/2024 \$000	Long Term Plan 2024/2025 \$000	Annual Plan 2024/2025 \$000
Planning & Regulatory			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	2,009	1,962	2,646
Targeted Rates	-	500	-
Subsidies and grants for operating purposes	472	483	328
Fees and charges	759	775	1,250
Local authorities fuel tax, fines, infringement fees, and other receipts	234	239	199
Total Operating Funding (A)	3,474	3,959	4,423
Applications of Operating Funding			
Payments to staff and suppliers	2,343	2,337	3,070
Finance Costs	35	38	9
Internal charges and overheads applied	1,042	1,028	1,278
Total Applications of Operating Funding (B)	3,419	3,403	4,357
Surplus/(Deficit) of Operating Funding (A - B)	54	557	66
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Increase (decrease) in debt	(63)	(63)	176
Total Sources of Capital Funding (C)	(63)	(63)	176
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	187
- to replace existing assets	-	-	-
Increase (decrease) in reserves	(9)	493	54
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	(9)	493	241
Surplus/(Deficit) of Capital Funding (C - D)	(54)	(557)	(66)
Funding Balance ((A - B) + (C - D))	-	-	-

Community Services

We provide Community Services as together they support and promote resident’s health, safety, well-being and sense of unity.

We have combined the following activities into the Community Services group as they align to provide good-quality local public services:

Community Services	Community Development and Assistance Community Halls Township Development
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Community Services Group’s contribution to community wellbeing outcomes

These activities have a particular contribution to the following community wellbeing outcomes:

Community Outcome	<i>Sustainable Environment</i>	<i>Diverse economy</i>	<i>Embracing our culture</i>	<i>Live and play</i>
Contribution	Care for the environment	Collaboration	Enabling community	Healthy and safe
		Sustainable growth	Partnership	Active lifestyles
		Innovation	Open innovation to	Community spaces
			Community pride and participation	

Community Development and Assistance

What we do: Deliver programmes and funding opportunities that contribute to residents’ health, safety and wellbeing.

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 – 2034
Supporting Communities to improve their social and cultural wellbeing	CDA co-ordinates funding and committee process for: <ul style="list-style-type: none"> • Creative Community Scheme funding local arts. • Sport NZ Rural Travel Fund. • Funding to promote events for Community well-being and social connectedness. 	Achieved Funding was advertised and promoted throughout Westland and committees followed procedure for funding allocation. <ul style="list-style-type: none"> • Creative Community Committee allocated \$10,167 • Sport NZ Rural Travel Fund Committee allocated \$12,825 	Achieved

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 – 2034
		Funding to promote events: <ul style="list-style-type: none"> • Driftwood & Sand \$5,000 • Christmas Lights Grant allocated \$10,000 	
	Why this is important: We know that funding opportunities allow communities to be vibrant and thrive. Council support ensures that people are supported in their applications and funding is allocated appropriately.		
Commitment to “Safer Westland”	Safer Westland Governance Group meets bi-monthly.	Achieved Safer Westland Bi-monthly meetings are established, with the Safer Westland Governance Group meeting quarterly.	Achieved
	Why this is important: Providing support to the Safer Westland Governance Group ensures that organisations have the opportunity to work cooperatively to encourage community safety and wellbeing in the district.		

Community Halls

How do we measure success?

What we do: Provide places that support social, recreation, and other activities for communities.

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 – 2034
Day to day operational activities that ensure assets provide services.	Performance of Operational Contracts.	New Measure <i>Baseline to be established</i>	Achieved
Maintenance that ensures the asset can continue to provide services	Number/Cost of unplanned reactive repairs required, due to insufficient maintenance.	New Measure <i>Baseline to be established</i>	Figure remains static or decreases year-on-year
	Why this is important: Community Halls are the heart of many of the smaller communities around the district. We want community halls to be well maintained and meet the needs of the communities that they service.		

Township Development

How do we measure success?

There are no non-financial performance measures for this activity. Instead, this activity is subject to financial accountability reporting for delivering the capital programme.

Prospective Community Services Statement of Service Performance

For the year ending 30 June 2025

Prospective Community Services Statement of Service Performance			
	2024 LTP (000's)	2025 LTP (000's)	2025 AP (000's)
Revenue			
Rates	1,621	1,643	1,447
Grants, subsidies and donations	40	41	463
Other Revenue	3	3	2
Total revenue	1,665	1,680	1,912
Expenditure			
Community development	533	538	783
Township development	672	682	726
Community Halls	465	475	2,757
Total expenditure	1,671	1,696	4,266
Surplus/(Deficit)	(6)	(9)	(2,354)
Capital Expenditure			
Carnegie Building - Fitout	-	-	600
Drummond Hall minor works	-	-	75
Heritage Park - Bldg 6 re-roof container shed	26	-	-
Heritage Park - Bldg 9 completion	3	-	-
Hokitika - Lighting and banners	-	-	30
Hokitika - Wheelie bin replacements	1	1	-
Hokitika - Rubbish bin replacements	-	-	22
Hokitika - Revitalisation	-	-	25
Total Capital Expenditure	30	1	752

Prospective Community Services Funding Impact Statement

For the year ending 30 June 2025

Prospective Group Level Funding Impact Statement			
	Long Term Plan 2023/2024 \$000	Long Term Plan 2024/2025 \$000	Annual Plan 2024/2025 \$000
Community Services			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	629	640	317
Targeted Rates	992	1,002	1,131
Subsidies and grants for operating purposes	40	41	463
Local authorities fuel tax, fines, infringement fees, and other receipts	3	3	2
Total Operating Funding (A)	1,665	1,687	1,912
Applications of Operating Funding			
Payments to staff and suppliers	997	1,009	1,067
Finance Costs	39	41	112
Internal charges and overheads applied	311	306	383
Total Applications of Operating Funding (B)	1,347	1,357	1,562
Surplus/(Deficit) of Operating Funding (A - B)	318	330	350
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Increase (decrease) in debt	(74)	(74)	520
Total Sources of Capital Funding (C)	(74)	(74)	520
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	55
- to replace existing assets	30	1	697
Increase (decrease) in reserves	214	256	119
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	244	257	870
Surplus/(Deficit) of Capital Funding (C - D)	(318)	(330)	(350)
Funding Balance ((A - B) + (C - D))	-	-	-

Facilities, and Leisure Services

We provide Facilities, and Leisure Services which promote recreational, social, and economic benefits, and enhance the environmental wellbeing of our district.

We have combined the following activities into the Facilities, and Leisure Services group as they align to provide good-quality local public services:

Facilities, and Leisure Services	Cemeteries Hokitika Museum Land and Buildings Parks and Reserves Public Toilets Swimming Pools West Coast Wilderness Trail Westland District Library
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Facilities, and Leisure Services Group's contribution to community wellbeing outcomes

These activities have a particular contribution to the following community wellbeing outcomes:

Community Outcome	<i>Sustainable Environment</i>	<i>Diverse economy</i>	<i>Embracing our culture</i>	<i>Live and play</i>	<i>Resilient Infrastructure</i>
Contribution	Support sustainable waste management practises.	Collaboration	Enabling community	Healthy and safe	Responsive planning
	Care for the environment	Sustainable growth	Partnership	Active lifestyles	Forward focus
		Innovation	Community pride and participation	Community spaces	Data driven decision-making
					Communities first

Cemeteries

How do we measure success?

What we do: Provide places that support the cultural needs of the deceased and their bereaved.

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 – 2034
Council owned cemeteries are appropriately maintained	Customer Satisfaction: The number of service requests received per cemetery.	Achieved Hokitika: 4 Kumara: 4 Ross: 0	Hokitika: ≤ 5 Kumara: ≤ 5 Ross: ≤ 5
	Why this is important: We want our cemeteries to be pleasant resting places for departed community members.		
Burials adhere to the relevant legislation	Standards for burial adhere to Cemeteries and Cremations Act 1964 or any replacement legislation	Achieved 100% 40/40 Interments Hokitika: 34 Kumara: 2 Ross: 4	100%
	Why this is important: The Act recognises a variety of different types of burial land. It also contains a number of specific provisions around controlling and managing these places and outlines the statutory restrictions that apply. Council wants to meet its statutory obligations for burials.		

Hokitika Museum

How do we measure success?

What we do: Acquire, conserve, research, communicate and exhibit Westland stories for purposes of study, education and enjoyment, material evidence of West Coast people and their environment.

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 – 2034
Collections developed, documented and maintained with access provided	Collections continue in line with Hokitika Museum policies.	Achieved	Achieved
	Deaccessions and disposals are aligned with Hokitika Museum policies.	Achieved	Achieved
	Why this is important: Appropriate management of the Museum collection ensures that the archives and artifacts are useful and relevant to those interested in Westland and West Coast history.		

Land and Buildings

How do we measure success?

There are no non-financial performance measures for this activity. Instead, this activity is subject to financial accountability reporting for delivering the capital programme.

Parks and Reserves

How do we measure success?

What we do: Provide parks and open spaces that support the recreational needs of our community and visitors.

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 – 2034
Day to day operational activities that ensure assets provide services.	Performance of Operational Contracts.	New Measure <i>Baseline to be established</i>	Achieved
Maintenance that ensures the asset can continue to provide services	Number/Cost of unplanned reactive repairs required, due to insufficient maintenance.	New Measure <i>Baseline to be established</i>	Figure remains static or decreases year-on-year
Why this is important: We want our parks and reserves to be safe, enjoyable and well-maintained places for our community and visitors to use.			

Public Toilets

How do we measure success?

What we do: Provide public toilets throughout the District for the convenience of our communities and visitors, and protection of the environment.

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 – 2034
Day to day operational activities that ensure assets provide services.	Performance of Operational Contracts.	New Measure <i>Baseline to be established</i>	Achieved
Maintenance that ensures the asset can continue to provide services	Number/Cost of unplanned reactive repairs required, due to insufficient maintenance.	New Measure <i>Baseline to be established</i>	Figure remains static or decreases year-on-year
Why this is important: We want to provide clean and tidy public conveniences that meet community and visitor needs.			

Swimming Pools

How do we measure success?

What we do: Provide recreation facilities for our communities to enjoy exercise, education and social activities.

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 – 2034
Day to day operational activities that ensure assets provide services.	Performance of Operational Contracts.	New Measure <i>Baseline to be established</i>	Achieved
Maintenance that ensures the asset can continue to provide services	Number/Cost of unplanned reactive repairs required, due to insufficient maintenance.	New Measure <i>Baseline to be established</i>	Figure remains static or decreases year-on-year
<p>Why this is important:</p> <p>We want our facility to meet the needs of the community and attract visitors. Users have the opportunity to connect, exercise, learn and have fun.</p>			

West Coast Wilderness Trail

How do we measure success?

What we do: Provide an outstanding local and visitor attraction that draws people to Westland.

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 – 2034
The cycle trail is well used	Numbers using the trail as measured by trail counters	Not achieved Counters along the trail recorded between 7,966 and 33,004 annual cycle users at various points. Total users recorded is 90,514. This represents a decrease in daily utilisation of 9% . Full trail length rider utilisation has only reduced by 1.1%	Show year-on-year growth.
<p>Why this is important:</p> <p>The level of use of the cycle trail reflects the appropriateness and effectiveness of this asset for our community and visitors, and whether we are actually meeting their needs.</p>			
The visitor experience meets or exceeds expectations	Net Promotor Score and cyclist feedback.	New Measure <i>Baseline to be established.</i>	Is greater than 80% over a 12-month average.
<p>Why this is important:</p> <p>We want this asset to provide a quality experience for visitors and be an ambassador to promote the Westland district, which supports the local economy.</p>			

How do we measure success?

What we do: Provide a safe and inclusive environment that welcomes everyone and creates a community hub.

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 – 2034
To provide access to a physical collection that is current and of appropriate quality to meet the needs of the community.	% of physical collection items purchased in the last 5 years (excluding Local History and Stack)	New Measure <i>Baseline to be established</i>	40-45%
Ensure library users have access to computing technology and the internet to allow them to access relevant information, government, community, retail, recreational and communication services.	Minimum provision of:	New Measure <i>Baseline to be established</i>	<ul style="list-style-type: none"> • 2 public access internet devices per 2.500 people (Westland = 7) • Printer, scanner and BYOD print options. • Onsite Wi-Fi access.
Delivering activities that enable increased accessibility.	Number of programmes & events (excluding Book-A-Librarian).	New Measure <i>Baseline to be established</i>	200 programmes/events
	Attendance at events (Excluding Book A Librarian)	New Measure <i>Baseline to be established</i>	2000 attendees
<p>Why this is important:</p> <p>We want our library services to meet the needs of users, and to be responsive to the increasing changes of the way that customers use a modern library service.</p> <p>We need to provide a variety of resources and services to meet the needs of individuals and groups for information, life-long learning, personal development, recreation and leisure.</p>			

Prospective Facilities, and Leisure Services Statement of Service Performance

For the year ending 30 June 2025

Prospective Facilities, and Leisure Services Statement of Service Performance			
	2024 LTP (000's)	2025 LTP (000's)	2025 AP (000's)
Revenue			
Rates	4,657	4,981	4,871
Fees and Charges	92	94	131
Rental	2	2	66
Grants, subsidies and donations	555	487	670
Recoveries	4	4	5
Other Revenue	51	51	294
Total revenue	5,361	5,619	6,036
Expenditure			
Parks and reserves	893	950	913
Cemeteries	261	264	306
Library	783	792	805
Museum	567	579	467
i-Site	285	293	363
Events	96	98	90
Cycle trail	523	553	660
Swimming pools	383	458	776
Public toilets	587	608	651
Land and buildings	664	770	471
Total expenditure	5,043	5,364	5,502
Surplus/(Deficit)	318	255	534

Prospective Facilities, and Leisure Services Statement of Service Performance

	2024 LTP (000's)	2025 LTP (000's)	2025 AP (000's)
Capital Expenditure			
Cemeteries - Hokitika - Ashes berm development	10	-	-
Cemeteries - Hokitika - Reseal roads within cemetery	-	-	30
Cemeteries - Hokitika - Upgrade and expansion	10	11	11
Cemeteries - Ross - Berm development	-	-	15
Conveniences - Hokitika Beach front upgrade	-	482	60
Library Operations - Collection replacement	63	64	65
Library - Leasehold improvements	-	-	48
Property - Fox house insulation	26	-	-
Property - Hari Hari house refurbishments	-	-	29
Property - Rcecourse development	-	-	512
Reserves - Cass Square - Design & implementation	16	-	-
Reserves - Cass Square - pavilion	785	375	-
Reserves - Cass Square - Turf renewal	16	-	-
Reserves - Cass Square - New developments	-	-	50
Reserves - Haast - Playground equipment upgrade	2	2	-
Reserves - Kumara - Playground equipment upgrade	2	2	15
Reserves - Ross - Playground equipment upgrade	2	2	-
Reserves - Whataroa - Playground equipment upgade	2	2	-
Swimming Pools - Hokitika - Toddlers covered heated pool	1,256	1,124	600
Swimming Pools - Ross - refurbishments	-	6	6
Visitor Services - i-Site website development	2	-	-
Visitor Services - i-Site equipment replacement	3	3	-
Cycle Trail - Taramakau major maintenance	-	-	10
Cycle Trail - Totara bridge Stage 1	209	-	-
Cycle Trail - Totara bridge Stage 2 & 3	-	535	750
Cycle Trail - Minor infrastructure (shelteres etc)	38	39	71
Cycle Trail - Safety enhancements	31	32	-
Cycle Trail - Mahinapua boardwalk & bridges	628	-	-
Westland Racing Club Reserve - Development	1,439	535	-
Total Capital Expenditure	4,539	3,213	2,272

Prospective Facilities, and Leisure Services Funding Impact Statement
For the year ending 30 June 2025

Prospective Group Level Funding Impact Statement			
	Long Term Plan 2023/2024 \$000	Long Term Plan 2024/2025 \$000	Annual Plan 2024/2025 \$000
Facilities and Leisure Services			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	2,954	3,104	2,775
Targeted Rates	1,703	1,877	2,096
Subsidies and grants for operating purposes	49	50	46
Fees and charges	92	94	131
Local authorities fuel tax, fines, infringement fees, and other receipts	57	57	365
Total Operating Funding (A)	4,855	5,182	5,412
Applications of Operating Funding			
Payments to staff and suppliers	3,087	3,192	3,216
Finance Costs	335	466	280
Internal charges and overheads applied	546	542	801
Total Applications of Operating Funding (B)	3,968	4,200	4,296
Surplus/(Deficit) of Operating Funding (A - B)	887	981	1,116
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	505	437	624
Increase (decrease) in debt	2,756	1,166	1,068
Total Sources of Capital Funding (C)	3,261	1,602	1,693
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	929	3	18
- to improve the level of service	2,927	2,380	1,993
- to replace existing assets	683	830	261
Increase (decrease) in reserves	(391)	(629)	537
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	4,148	2,584	2,809
Surplus/(Deficit) of Capital Funding (C - D)	(887)	(981)	(1,116)
Funding Balance ((A - B) + (C - D))	-	-	-

Leadership

We provide Leadership Services to support delivery of statutory responsibilities, and business functions of Council.

We have combined the following activities into the Leadership group as they align to provide good-quality local public services:

Leadership	Democracy Corporate Services
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Leadership Group's contribution to community wellbeing outcomes

These activities have a particular contribution to the following community wellbeing outcomes:

Community Outcome	<i>Sustainable Environment</i>	<i>Diverse economy</i>	<i>Embracing our culture</i>	<i>Live and play</i>	<i>Resilient Infrastructure</i>
Contribution	Care for the environment	Collaboration	Enabling community	Healthy and safe	Responsive planning
			Partnership	Active lifestyles	Forward focus
			Community pride and participation	Community spaces	Data driven decision-making
					Communities first

Democracy

How do we measure success?

Every year Council produces an Annual Report that informs our community about what has been achieved and how well we performed against the plans and budgets that were set for that year. In addition, there is regular reporting to the Senior Leadership Team and Council on progress with work and projects in this activity group. We have committed to providing regular on-going reporting to the Risk and Assurance Committee on satisfaction with Council's leadership.

How do we measure success?

What we do: Provide professional support services to support other activities in Council and ensure smooth operating and fulfilment of statutory requirements.

Our goal	Measure	Current performance (2022/2023 Annual Report)	Performance targets 2024 - 2034
Provide accountability about Council activities	LTP, Annual Plans and Reports adopted on time.	<p>Achieved</p> <p>100%: The Annual Report 2021/2022 was adopted on 15 December 2022 as allowed by the amendment to the Local Government Act.</p> <p>The Annual Plan 2023/2024 was adopted on 30 June 2023.</p>	100%
	LTP and Annual Reports receive unqualified Auditor’s Opinions.	<p>Achieved</p> <p>100%: The Long Term Plan 2021 – 2031 received an unqualified Auditor’s opinion.</p> <p>The Annual Report 2021/2022 received an unqualified Auditor’s opinion.</p>	100%
	<p>Why this is important:</p> <p>Meeting our legislative obligations to report on our activities and review our budgets, and achieving unqualified Auditor’s Opinions on our reports and plans, gives the community confidence that Council is actively working to promote community well-being and be fiscally responsible.</p>		

Prospective Leadership Statement of Service Performance

For the year ending 30 June 2025

Prospective Leadership Statement of Service Performance			
	2024 LTP (000's)	2025 LTP (000's)	2025 AP (000's)
Revenue			
Rates	1,977	1,615	861
Rates Penalties	110	110	110
Internal Charges and Overheads Recovered	7,797	7,720	8,106
Fees and Charges	128	130	77
Rental	40	41	10
Interest and dividends	250	250	646
Recoveries	33	34	40
Other Revenue	545	509	532
Total revenue	10,880	10,408	10,383
Expenditure			
Democracy	1,212	1,264	1,354
Corporate Services	8,611	8,569	8,962
Total expenditure	9,823	9,832	10,316
Surplus/(Deficit)	1,057	576	66
Capital Expenditure			
Council HQ - Earthquake strengthening	-	-	280
Council HQ - Furniture & fittings	5	5	5
IHPS - Pool/inspection vehicles	42	86	100
GIS Maintenance - Area photo renewal	21	-	40
IT Equipment Renewals - Computer equipment	31	32	50
IT Teleconferencing Equipment	-	-	10
Total Capital Expenditure	99	123	485

Prospective Leadership Funding Impact Statement
For the year ending 30 June 2025

Prospective Group Level Funding Impact Statement			
	Long Term Plan 2023/2024 \$000	Long Term Plan 2024/2025 \$000	Annual Plan 2024/2025 \$000
Leadership			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	2,087	1,725	970
Fees and charges	128	130	77
Interest and dividends from investments	250	250	646
Local authorities fuel tax, fines, infringement fees, and other receipts	618	583	732
Internal charges and overheads recovered	7,797	7,720	8,106
Total Operating Funding (A)	10,880	10,408	10,533
Applications of Operating Funding			
Payments to staff and suppliers	5,767	5,740	7,112
Finance Costs	563	595	413
Internal charges and overheads applied	3,311	3,293	2,632
Total Applications of Operating Funding (B)	9,641	9,628	10,157
Surplus/(Deficit) of Operating Funding (A - B)	1,239	780	376
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Increase (decrease) in debt	(107)	(107)	245
Total Sources of Capital Funding (C)	(107)	(107)	245
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	280
- to replace existing assets	99	123	205
Increase (decrease) in reserves	1,032	550	135
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	1,132	673	621
Surplus/(Deficit) of Capital Funding (C - D)	(1,239)	(780)	(376)
Funding Balance ((A - B) + (C - D))	-	-	-

Potential significant negative effects on Community Wellbeing

Council's activities are provided with the aim of maintaining or improving community wellbeing. The positive contributions to wellbeing are outlined in the description of each Activity. Some activities can also cause significant negative effects that need to be managed or mitigated. The following table lists the potential significant negative effects that have been identified, and actions that are taken to mitigate these effects. Where an activity is not listed, the Council has not found any significant negative effects on the community.

Activity	Effect	Mitigation
Cemeteries	Leachate from cemeteries can enter the groundwater and waterways.	Consent requirements for new cemeteries require effects on the environment and neighbouring properties to be mitigated.
Democracy	Some decisions made by Council may be contrary to the views of individuals in the community.	Council undertakes engagement activities and makes decisions for the good of the wider community.
Drinking Water	Increasing demand for water, and ensuring consistency of supply during drought periods can negatively affect the natural water resources of the district.	Council adheres to the conditions of resource consents, and implements water efficiency measures including timely water maintenance and repair work, and community water conservation education.
	Standards imposed by legislation are expensive to meet and maintain.	Educate the community about the necessity to meet the standards to ensure the safety of the community.
Emergency Management	A better understanding of the risk profile of Westland may impact future development and investment decisions in the district.	Encourage use of the risk profile to make smart development and investment decisions.
Land and Buildings	Community facilities may be subject to anti-social behaviour such as graffiti and vandalism.	Encourage community pride in facilities.
Land Transport	Contaminated road water runoff causing environmental degradation.	Stormwater management treatment initiatives. Monitor work done and possible contaminated road water runoff. Encourage off-road stock corridors and road underpasses.
	Road deterioration where renewals are not completed affects vehicles through increased wear and associated costs.	Good Road Assessment and Maintenance Management (RAMM) data. Timely renewals and forward planning of works.

Activity	Effect	Mitigation
		Condition monitoring of assets.
	Disturbances such as noise, lights and dust due to high traffic volumes.	Apply appropriate speed limits. Quality road maintenance to reduce nuisance on unsealed roads.
Public toilets	Toilet cleanliness sometimes compromised based on visitor numbers.	Contracted cleaning is adjusted seasonally to reduce likelihood of unclean facilities.
Resource Management	Some of the central Government legislative requirements are not suited to the unique Westland geographical environment, can be costly to implement and provide minimal benefit to the community.	Council makes submissions to relevant consultations to provide our view during the development of legislation.
	Development can affect the environment through destroying habitat and causing pollution, and cause disturbance to neighbouring properties.	Ensure the operative District Plan and the Te Tai o Poutini Plan is applied appropriately. Working with landowners to ensure that they receive appropriate education and are compliant with their resource consents.
Solid Waste	Landfills (existing and closed) can potentially have negative effects on the environment and public health, such as leachate, contamination, odour, dust, vermin and litter.	Site operational plans include actions to mitigate any negative effects. Landfills are managed to comply with resource consents. These include monitoring gas and leachate.
	Service costs driven by national factors outside of Council's control cause higher costs than the community would like.	Maintain a user pays approach, reducing subsidisation from other ratepayers.
Stormwater	Stormwater may contain contaminants such as sediments, oils, greases, rubbish and metal/organic materials that have washed off roads or other surfaces.	Systematic identification, prioritisation and implementation of network improvements will be used to help address environmental effects.
	Localised adverse impacts for property result from blocked or damaged stormwater drains, or failure of pumps during storm events	Renewals, maintenance, and prompt responses to reactive issues minimise the impacts.
Swimming Pools	Swimming pool facilities are high energy users.	The Ross swimming pool facility uses solar heating. Council plans to replace the diesel boiler at the Hokitika swimming pool facility with a more environmentally

Activity	Effect	Mitigation
		friendly option. Both swimming pools use heat recovery technology, insulating pool covers and recycle water. This reduces water usage and retains heat, thereby using less energy and lowering the Council's carbon footprint.
Township Development	Conflict within the community about the direction for the funding or projects it wants Council to undertake.	Funds are carried over until agreement can be reached.
	Different funding levels for each community due to size of each community.	Communities can apply to reduce or increase the amount of funding allocated to the community's reserve fund.
Wastewater	Wastewater can have negative environmental effects due to odour, noise, overflows and effluent discharge.	Effects are managed through complying with resource consents, monitoring and effective prioritisation of infrastructure upgrades.
West Coast Wilderness Cycle Trail	Health and safety consequences from an increased number of cyclists on narrow rural roads.	Increase the amount of trail that is off-road to improve cyclist and vehicle user safety.

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Forecast Financial Information

This section of the plan contains:

Prospective statement of comprehensive revenue and expense for the year ended 30 June 2025

Prospective changes of net equity for the year ended 30 June 2025

Prospective statement of financial position as at 30 June 2025

Prospective statements of cash flows as at 30 June 2025

Prospective reconciliation of net surplus to operating activities for the year ended 30 June 2025

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Prospective Statement of Comprehensive Revenue and Expense for the year ended 30 June 2025

Prospective Statement of Comprehensive Revenue and Expense			
	Long Term Plan 2023/24 \$000	Long Term Plan 2024/25 \$000	Annual Plan 2024/25 \$000
Revenue			
Rates	\$22,449	\$23,296	\$23,165
Grants and subsidies	\$6,627	\$5,265	\$12,387
Interest revenue	\$7	\$7	\$397
Fees and charges	\$1,924	\$1,997	\$2,599
Other revenue	\$1,182	\$1,153	\$1,604
Total operating revenue	\$32,189	\$31,718	\$40,152
Expenditure			
Employee benefit expenses	\$6,049	\$6,185	\$7,307
Finance costs	\$1,424	\$1,650	\$1,374
Depreciation and amortisation	\$8,385	\$8,556	\$9,088
Other expenses	\$13,363	\$13,798	\$19,321
Total operating expenditure	\$29,222	\$30,189	\$37,090
Income tax expenses/(benefit)			
Income tax expenses/(benefit)	\$0	\$0	\$0
Income tax expenses/(benefit)	\$0	\$0	\$0
Operating Surplus/(Deficit)	\$2,968	\$1,529	\$3,062
Other comprehensive revenue and expense			
Gain/(loss) on revaluation of assets	\$2,986	\$26,987	\$13,501
Other Comprehensive Revenue and Expenses Subtotal	\$2,986	\$26,987	\$13,501
Total Comprehensive Revenue and Expenses	\$5,954	\$28,516	\$16,563

Prospective Statement of Changes in Equity for the year ended 30 June 2025

Prospective Statement of Changes in Equity			
	Long Term Plan 2023/24 \$000	Long Term Plan 2024/25 \$000	Annual Plan 2024/25 \$000
Equity balance at 30 June			
Equity balance at 1 July	435,127	441,081	536,158
Comprehensive income for year	5,954	28,516	16,563
Equity balance at 30 June	441,081	469,597	552,722
Components of Equity			
Retained earnings 30 June			
Retained Earnings at 1 July	168,050	170,608	177,186
Net Surplus/(Deficit)	2,968	1,529	3,062
Transfers to/ (from) reserves	(409)	730	(1,082)
Retained earnings 30 June	170,608	172,868	179,167
Revaluation Reserves 30 June			
Revaluation Reserves at 1 July	258,201	261,187	352,334
Revaluation Gains	2,986	26,987	13,501
Transfers to/(from) reserve	-	-	(208)
Revaluation Reserves 30 June	261,187	288,174	365,626
Council created Reserves 30 June			
Council Created Reserves at 1 July	8,813	9,222	6,462
Transfers to / (from) reserves	409	(730)	1,290
Council created Reserves 30 June	9,222	8,492	7,752
Other comprehensive revenue and expense Reserve 30 June			
Other comprehensive revenue and expense Reserves at 1 July	64	64	177
Transfers to / (from) reserves	-	-	-
Other comprehensive revenue and expense Reserve 30 June	64	64	177
Components of Equity	441,081	469,597	552,722

Prospective Statement of Financial Position for the year ended 30 June 2025

Prospective Statement of Financial Position			
	Long Term Plan 2023/2024 \$000	Long Term Plan 2024/2025 \$000	Annual Plan 2024/2025 000
Assets			
Current assets			
Cash & Cash Equivalents	13,380	12,683	6,353
Debtors & Other Receivables	2,606	2,653	2,905
Other Financial Assets	-	-	48
Derivative Financial Instruments	-	-	53
Total Current Assets	15,986	15,336	9,358
Non-current assets			
Deferred Tax	-	-	176
Council Controlled Organisation	11,010	11,010	12,695
Intangible Assets	33	32	160
Assets Under Construction	-	-	16,205
Other Financial Assets	419	419	808
Derivative Financial Instruments	-	-	843
Property, Plant and Equipment	463,052	493,453	558,396
Total Non-current assets	474,514	504,914	589,283
Total Assets	490,500	520,251	598,641
Liabilities			
Current liabilities			
Creditors & other payables	3,050	3,111	4,145
Employee benefit liabilities	462	470	545
Tax payable	3	3	-
Borrowings	-	-	3,000
Other	444	453	619
Total Current Liabilities	3,959	4,039	8,309
Non-current liabilities			
Deferred Tax	32	32	-
Employee benefit liabilities	49	50	32
Provisions	2,371	2,371	3,335
Borrowings	42,726	43,990	34,244
Derivative Financial Instruments	283	173	-
Total Non-Current Liabilities	45,460	46,615	37,610
Total Liabilities	49,419	50,654	45,919
Net Assets	441,081	469,597	552,722

Equity			
Retained earnings	170,608	172,868	179,167
Restricted Reserves	9,222	8,492	7,752
Revaluation reserves	261,187	288,174	365,626
Other comprehensive revenue and expense reserve	64	64	177
Equity	441,081	469,597	552,722

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Prospective Statement of Cash flows for the year ended 30 June 2025

Prospective Statement of Cashflows			
	Long Term Plan 2023/2024 \$000	Long Term Plan 2024/2025 \$000	Annual Plan 2024/2025 \$000
Net Cashflow Operating Activities			
Cash was provided from:			
Rates Revenue	22,430	23,276	23,165
Fees, charges, and other receipts (including donations)	1,917	1,991	2,589
Interest Received	7	7	397
Dividends received	250	250	250
Grants and Subsidies	6,616	5,253	12,359
Other Revenue	781	793	1,203
Cash was provided from:	32,002	31,569	39,963
Cash was applied to:			
Payment Staff & Suppliers	19,344	19,910	23,678
Interest Paid	1,424	1,650	1,374
Cash was applied to:	20,768	21,560	25,052
Net Cashflow Operating Activities	11,234	10,009	14,911
Net Cashflow Investment Activities			
Cash was provided from:			
Proceeds sale of property, plant and equipment	-	-	-
Proceeds from sale of intangibles	-	-	-
Cash was provided from:	-	-	-
Cash was applied to:			
Purchase of property, plant and equipment	13,077	11,969	20,003
Purchase of intangibles	2	-	280
Purchase of Investments	-	-	168
Cash was applied to:	13,080	11,969	20,451
Net Cashflow Investment Activities	(13,080)	(11,969)	(20,451)

Net Cashflow Finance Activities			
Cash was provided from:			
Proceeds from borrowings	4,409	3,354	8,186
Capital works loan repayments			2
Cash was provided from:	4,409	3,354	8,189
Cash was applied to:			
Repayment of borrowings	1,870	2,091	1,451
Cash was applied to:	1,870	2,091	1,451
Net Cashflow Finance Activities	2,539	1,264	6,738

Cash Balance			
Cash Balance			
Net increase/(decrease) in cash held	693	(697)	1,198
Total cash resources at start of the year	12,687	13,380	5,155
Cash Balance	13,380	12,683	6,353
Cash Balance	13,380	12,683	6,353

Prospective Reconciliation of Net Surplus to Operating Activities for the year ended 30 June 2025

Prospective Reconciliation of Net Surplus/(Deficit) to Operating Activities			
	Annual Plan 2023/24 \$000	Long Term Plan 2024/25 \$000	Annual Plan 2024/25 \$000
Surplus/deficit after tax	2,968	1,529	16,563
	2,968	1,529	16,563
Add/(Less) non cash expenses			
Revaluation (gains)/losses	(2,986)	(26,987)	(13,501)
Depreciation and amortisation	8,385	8,556	9,088
Employee entitlements non-current	-	-	1
Assets written off	-	-	2,360
	5,399	(18,431)	(2,052)
Add/(Less) items classified as investing or financing activities			
(Gains)/losses on sale of property, plant and equipment	108	113	-
(Gains)/losses on sale of intangibles	-	-	245
Change in fair value of interest rate swap	-	-	105
	108	113	350
Add/(Less) movement in working capital			
(Increase)/decrease in debtors and other receivables	(87)	(44)	(52)
Increase/(decrease) in creditors and other payables	58	62	75
Increase/(decrease) in employee entitlements	8	8	15
(Increase)/decrease in deferred income	-	-	12
	(21)	26	50
Net cash flow from operating activities	8,453	(16,762)	14,911

Rating Base Information

RATING BASE AS AT 30 JUNE 2024

	2024/2025
Projected number of rating units	6685
Total capital value of rating units	3,480,352,900
Total land value of rating units	1,757,612,800

Funding Impact Statement for the Year Ended 30 June 2025

The Funding Impact Statement contains the following information:

- Rates Information for 2024/2025
- Rates calculations, as determined by Council's Rating Policy.
- Rates Samples for 2024/2025
- The Whole of Council Funding Impact Statement for 2024/2025.

The Funding Impact Statement is given effect by the Rating Policy and should be read in conjunction with the Revenue and Financing Policy (see pp 259 - 267, [Part E - Financing Policies](#) - Westland District Council Long Term Plan 2021-2031) and Financial Statements.

The rates information and Rates Samples are GST inclusive; the Whole of Council Funding Impact Statement is GST exclusive.

Rating Information for 2024/2025

Council sets the following rates under the Local Government (Rating) Act 2002:

General Rates:

- General Rate
- Uniform Annual Charge

Targeted Rates:

- Kumara Community Rate
- Hokitika Community Rate
- Ross Community Rate
- Hari Hari Community Rate
- Whataroa Community Rate
- Franz Josef / Waiau Community Rate
- Fox Glacier Community Rate
- Haast Community Rate
- Bruce Bay Community Rate
- Kokatahi / Kowhitirangi Community Rates
- Water rates
- Metered Water Rates
- Milk Treatment Plant Water Rates
- Sewerage Rates
- Refuse Collection Rates
- Tourism Promotion Rate
- Kaniere Sewerage Capital Contribution Rate
- Hannah's Clearing Water Supply Capital Repayment Rate
- Emergency Management Contingency Fund Rate

Details of the activities these rates fund and the rating categories liable for the rates are listed below. This is followed by a table which shows how the rates are calculated and total revenue sought for each rate.

General Rates

General Rate

A general rate is set and assessed on the capital value of all rateable land in the district.

The general rate is set differentially based on the location of the land and use to which the land is put.

The differential categories are: Residential, Rural Residential, Commercial and Rural. The definitions of each category and differential factors are in the Rating Policy.

Uniform Annual General Charge

A uniform annual general charge is set and assessed on all rateable land in the district as a fixed amount per rating unit.

The general rate and uniform annual general charge fund part of the following activities: democracy, corporate services, inspections and compliance, resource management, emergency management, animal control, community development and assistance, library, museum, public toilets, land and buildings, cemeteries, transportation and solid waste.

Targeted Rates

Kumara Community Rate	<p>The Kumara community rate is set and assessed as an amount per rating unit, on all rateable land in the Kumara community rate zone (as mapped in the Rating Policy). Within that area the rate is set based on the location of the land and the use to which the land is put.</p> <p>The categories are: Residential, Rural Residential, Commercial and Rural. The definitions of each category and the factors applied are in the Rating Policy.</p> <p>The Kumara community rate funds all or part of the following activities: Transportation, township development fund, and parks and reserves.</p>
Hokitika Community Rate	<p>The Hokitika community rate is set and assessed an amount per rating unit, on all rateable land in the Hokitika community rate zone (as mapped in the Rating Policy). Within that area the rate is set differentially based on the location of the land and the use to which the land is put.</p> <p>The differential categories are: Residential, Rural Residential, Commercial and Rural. The definitions of each category and differential factors are in the Rating Policy.</p> <p>The Hokitika community rate funds all or part of the following activities: Transportation, stormwater, township development fund, parks and reserves, land and buildings (Carnegie Building, RSA Building, Custom House and Band rooms), community development and assistance (Regent Theatre), and swimming pools (Hokitika pool).</p>
Ross Community Rate	<p>The Ross community rate is set and assessed as an amount per rating unit, on all rateable land in the Ross community rate zone (as mapped in the Rating Policy). Within that area the rate is set based on the location of the land and the use to which the land is put.</p> <p>The categories are: Residential, Rural Residential, Commercial and Rural. The definitions of each category and factors applied are in the Rating Policy.</p> <p>The Ross community rate funds all or part of the following activities: Transportation, township development fund, parks and reserves, community halls (Ross Memorial and Waitaha) and swimming pools (Ross pool).</p>
Hari Hari Community Rate	<p>The Hari Hari community rate is set and assessed as an amount per rating unit, on all rateable land in the Hari Hari community rate zone (as mapped in the Rating Policy). Within that area the rate is set based on the location of the land and the use to which the land is put.</p> <p>The categories are: Residential, Rural Residential, Commercial and Rural. The definitions of each category and factors applied are in the Rating Policy.</p> <p>The Hari Hari community rate funds all or part of the following activities: Transportation, township development fund, and parks and reserves.</p>
Whataroa Community Rate	<p>The Whataroa community rate is set and assessed as an amount per rating unit, on all rateable land in the Whataroa community rate zone (as mapped in the Rating Policy). Within that area the rate is set based on the location of the land and the use to which the land is put.</p> <p>The categories are: Residential, Rural Residential, Commercial and Rural. The definitions of each category and factors applied are in the Rating Policy.</p> <p>The Whataroa community rate funds all or part of the following activities: Transportation, township development fund (including Okarito), and parks and reserves.</p>

Franz Josef /Waiau Community Rate	<p>The Franz Josef Glacier community rate is set and assessed as an amount per rating unit, on all rateable land in the Franz Josef /Waiau community rate zone (as mapped in the Rating Policy). Within that area the rate is set differentially based on the location of the land and the use to which the land is put.</p> <p>The differential categories are: Residential, Rural Residential, Commercial and Rural. The definitions of each category and differential factors are in the Rating Policy.</p> <p>The Franz Josef /Waiau community rate funds all or part of the following activities: Transportation, stormwater, township development fund, and parks and reserves.</p>
Fox Glacier Community Rate	<p>The Fox Glacier community rate is set and assessed as an amount per rating unit, on all rateable land in the Fox Glacier community rate zone (as mapped in the Rating Policy). Within that area the rate is set differentially based on the location of the land and the use to which the land is put.</p> <p>The differential categories are: Residential, Rural Residential, Commercial and Rural. The definitions of each category and differential factors are in the Rating Policy.</p> <p>The Fox Glacier community rate funds all or part of the following activities: Transportation, stormwater, township development fund, and parks and reserves.</p>
Haast Community Rate	<p>The Haast community rate is set and assessed as an amount per rating unit, on all rateable land in the Haast community rate zone (as mapped in the Rating Policy). Within that area the rate is set based on the location of the land and the use to which the land is put.</p> <p>The categories are: Residential, Rural Residential, Commercial and Rural. The definitions of each category and factors applied are in the Rating Policy.</p> <p>The Haast community rate funds all or part of the following activities: Transportation, stormwater, township development fund (Haast, Hannah’s Clearing and Neils Beach), parks and reserves and community halls (Haast and Okuru).</p>
Bruce Bay Community Rate	<p>The Bruce Bay community rate is set and assessed as an amount per rating unit, on all rateable land in the Bruce Bay community rate zone (as mapped in the Rating Policy). Within that area the rate is set differentially based on the location of the land and the use to which the land is put.</p> <p>The differential categories are: Residential, Rural Residential, Commercial and Rural. The definitions of each category and differential factors are in the Rating Policy.</p> <p>The Bruce Bay community rate funds all or part of the following activities: Transportation, stormwater, township development fund, parks and reserves and community halls.</p>
Kokatahi / Kowhitirangi Community Rates	<p>Kokatahi / Kowhitirangi community rates are set and assessed on all rateable properties located in the Kokatahi / Kowhitirangi Community area.</p> <p>The rate will be charged on the rateable land value of each property in the Kokatahi/Kowhitirangi area from Geologist Creek in the north to Hokitika Gorge in the south and the Kaniere/Kowhitirangi Road from Nesses Creek onward.</p> <p>The Kokatahi / Kowhitirangi community rate is set as a fixed rate per rating unit and as a rate on the land value per rating unit.</p> <p>The Kokatahi / Kowhitirangi community rate funds the community development & assistance activity (Kokatahi / Kowhitirangi community grant).</p>

<p>Water Rates</p>	<p>Water rates are set and assessed as a fixed amount per connection for connected rating units, and per rating unit for unconnected rating units, on all land, situated in specified locations, to which is provided or is available a council funded water supply service that is not metered.</p> <p>The rate is set differentially depending on the nature of the connection to the land and the use to which the land is put. Commercial properties are defined as they are for the general rate (see Rating Policy).</p> <p>The locations and differential categories are:</p> <ul style="list-style-type: none"> • Hokitika and Kaniere Treated water – Connected (all rating units other than commercial ones) • Hokitika and Kaniere Treated water – Commercial connected • Hokitika and Kaniere Treated water – Unconnected • Rural Townships Treated water – Connected (all rating units other than commercial ones) • Rural Townships Treated water – Commercial connected • Rural Townships Treated water - Unconnected • Rural Townships Untreated – Connected (all rating units other than commercial ones) • Rural Townships Untreated –Commercial connected • Rural Townships Untreated – Unconnected <p>Water rates fund part of the water supply activity.</p>
<p>Metered Water Rates</p>	<p>Water rates are set and assessed as a fixed charge per unit of water supplied on all properties located in a specified location and where the nature of the connection is a metered water supply.</p> <p>The locations are:</p> <ul style="list-style-type: none"> • Hokitika and Kaniere metered water • Rural Townships metered water <p>Metered water rates fund part of the water supply activity.</p>
<p>Milk Treatment Plan Water Rates</p>	<p>Water rates are set and assessed on the property used as a milk treatment plant in Hokitika. For 2024/2025, the rates are:</p> <ul style="list-style-type: none"> • Hokitika Milk Treatment Plant rate fixed charge from 0 up to a projected demand for the year. • Hokitika Milk Treatment Plant metered water greater than projected demand for the year. <p>Hokitika Milk Treatment Plant rates fund part of the water supply up to the projected demand for the year and includes the cost of finance for the river intake.</p>
<p>Sewerage Rates</p>	<p>Sewerage rates are set and assessed on all land to which is provided or has available to the land a council funded sewerage supply service.</p> <p>The rates are:</p> <ul style="list-style-type: none"> • Sewerage Connected (per water closet or urinal) • Sewerage Unconnected (per rating unit) <p>Sewerage rates fund part of the wastewater activity.</p>
<p>Refuse Collection Rates</p>	<p>Refuse collection rates are set and assessed as a fixed amount per bin on all land, located in specific locations, which is provided with a refuse collection service.</p> <p>The location is:</p> <ul style="list-style-type: none"> • Refuse collection <p>A property may choose to have more than one supply and will pay a full refuse collection rate for each supply.</p> <p>Refuse collection funds part of the solid waste activity.</p>
<p>Tourism Promotion Rate</p>	<p>The tourism promotion rate is set and assessed as an amount per rating unit on all rateable properties in the district.</p> <p>The tourism promotion rate is set differentially based on the use to which the land is put and for commercial use properties on the capital value of the rateable properties.</p> <p>The differential categories are:</p> <ul style="list-style-type: none"> • Commercial <ul style="list-style-type: none"> ○ Greater than \$10m ○ Greater than \$3m and up to \$10m ○ Greater than \$1m and up to \$3m ○ \$1m or less • Residential, Rural Residential and Rural

	The definitions of each category are the same as those in the Rating Policy for the general rate. The tourism and promotions rate funds part or all of the following activities: West Coast Wilderness Trail, i-Site and community development & assistance (Tourism West Coast grant).
Kaniere Sewerage Capital Contribution Rate	The Kaniere sewerage capital contribution rate is set and assessed as a fixed rate per rating unit on all rateable properties that are connected to the Kaniere sewerage scheme and have not repaid the capital amount. The Kaniere Sewerage Capital Contribution Rate funds part of the Waste water activity (Kaniere sewerage upgrade loan).
Hannah's Clearing Water Supply Capital Repayment Rate	The Hannah's Clearing water supply capital repayment rate is set and assessed as a fixed rate per rating unit on all rateable properties located in Hannah's Clearing where the nature of the connection is a Council funded water supply. The Hannah's Clearing water supply capital repayment rate funds part of the water supply activity.
Emergency Management Contingency Fund Rate	The emergency management contingency fund rate is set and assessed on the land value of all rateable properties in the district. The emergency management contingency fund rate funds part of the emergency management & rural fire activity.

Council will accept lump sum contributions equivalent to the capital portion of the rate outstanding on the following rates:

- Kaniere Sewerage Capital Contribution Rate
- Hannah's Clearing Water Supply Capital Repayment Rate

Indicative Rates Calculations for the Year Ended 30 June 2025

The following table quantifies the amounts and total revenue for each rate for 2024/2025.

General Rates

Rate	Factor	Sector				Units	Totals	
		Rural	Rural Residential	Residential	Commercial		Revenue	
General Rates							Inc GST \$	Ex GST \$
General Rate	Capital Value	\$1,084,936,100	\$725,946,600	\$1,019,767,750	\$650,187,450	\$3,480,837,900		
	Per \$ Capital Value	\$0.0021	\$0.0016	\$0.0021	\$0.0042			
	Revenue	\$2,295,629	\$1,152,029	\$2,157,738	\$2,751,478		\$8,356,873	\$7,266,846
Uniform Annual General Charge	Rateable Units	1,710	1,471	2580	481			
	Each	\$750	\$750	\$750	\$750			
	Revenue	\$1,282,883	\$1,103,180	\$1,934,705	\$360,809		\$4,681,578	\$4,070,937
Total General Rates		\$3,578,512	\$2,255,209	\$4,092,443	\$3,112,287		\$13,038,451	\$11,337,783

Targeted community rates

Rate	Factor	Sector				Units	Totals	
		Rural	Rural Residential	Residential	Commercial		Revenue	
Community Rates							Inc GST \$	Ex GST \$
Kumara	Rateable Units	121	166	210	14	511		
	Each	\$237	\$237	\$237	\$237			
	Revenue	\$28,718	\$39,298	\$49,840	\$3,422		\$121,279	\$105,460
Hokitika	Rateable Units	655	816	1764	239	3,474		
	Each	\$769	\$769	\$1,026	\$2,051			
	Revenue	\$504,153	\$627,477	\$1,809,100	\$489,376		\$3,430,106	\$2,982,701
Ross	Rateable Units	134	30	176	17	357		
	Each	\$588	\$588	\$588	\$588			
	Revenue	\$78,823	\$17,647	\$103,528	\$10,000		\$209,997	\$182,606
Harihari	Rateable Units	134	36	92	17	279		
	Each	\$140	\$140	\$140	\$140			
	Revenue	\$18,822	\$5,099	\$12,853	\$2,416		\$39,190	\$34,078
Whataroa	Rateable Units	115	93	58	27	293		
	Each	\$223	\$223	\$223	\$223			
	Revenue	\$25,651	\$20,800	\$12,937	\$5,967		\$65,354	\$56,830
Franz Josef	Rateable Units	75	52	134	68	330		
	Each	\$238	\$238	\$318	\$635			
	Revenue	\$17,861	\$12,441	\$42,692	\$43,381		\$116,374	\$101,195
Fox Glacier	Rateable Units	51	11	72.52	42	176		
	Each	\$391	\$391	\$522	\$1,043			
	Revenue	\$19,954	\$4,108	\$37,832	\$43,800		\$105,694	\$91,908
Bruce Bay	Rateable Units	107	46	0	4	157		
	Each	\$106	\$106	\$0	\$106			
	Revenue	\$11,379	\$4,896	\$0	\$473		\$16,749	\$14,564
Haast	Rateable Units	229	232	78	38	577		
	Each	\$159	\$159	\$159	\$159			
	Revenue	\$36,312	\$36,892	\$12,395	\$6,015		\$91,613	\$79,664
Total Community Rates	Rateable Units	1621	1482	2585	467	6154		
	Revenue	\$741,672	\$768,657	\$2,081,177	\$604,849		\$4,196,355	\$3,649,005

Other targeted rates

Rates	Factor	Unit amounts				Units	Totals	
		\$	\$	\$	\$		Inc GST \$	Ex GST \$
Refuse Collection Rates								
Refuse Collection	Per bin				\$289	3,278	\$948,750	\$825,000
Total Refuse Collection Rates						3,278	\$948,750	\$825,000
		<u>Connected non commercial</u>	<u>Connected Commercial</u>	<u>Unconnected Domestic</u>				
Water Supply Rates								
Rural Untreated Water Connected non-commercial	Each	\$572	\$1,001	\$286		6	\$3,433	
Treated Water	Each	\$763	\$1,335	\$381		2976	\$2,399,680	
Hannah's Clearing Capital	Each				\$575	5	\$2,875	
Hokitika Milk Treatment Plant Fixed Water Rate					\$2,303,535	1	\$2,303,535	
Metered Water Rates	Volumetric					178	\$841,902	
Total Water Supply Rates							\$5,551,426	\$4,827,327
Sewerage Rates								
Connected	Each				\$516			
Unconnected	Each				\$258			
Total						4398.5	\$2,269,042	
Kanieri Sewerage Capital	Each				\$417	38	\$15,846	
Total Sewerage Rates							\$2,284,888	\$1,986,859

Rates	Factor	Unit amounts				Units	Totals	
		\$	\$	\$	\$		Inc GST \$	Revenue Ex GST \$
Kokatahi / Kowhitirangi Community Rate								
Land Value	Per \$ Value				\$0.0002	169,272,000	\$26,725	
Uniform Basis	Rateable Units				\$130	205	\$26,725	
Total Kokatahi / Kowhitirangi Community Rates							\$53,450	\$46,478
Tourism Promotions Rates								
Non Commercial	Each				\$13	5,760	\$74,846	\$65,083
Commercial within Capital Value Range:		<u>Over \$10 million</u>	<u>\$3 - 10 million</u>	<u>\$1 - 3 million</u>	<u>\$0 - 1 million</u>			
	Units	9	15	102	356	483		
	Each	\$8,576	\$4,288	\$1,715	\$858			
	Revenue	\$77,187	\$64,323	\$175,283	\$305,635		\$622,428	\$541,242
Total Tourism Promotions Rates							\$750,724	\$652,803
Total Other Targeted Rates							\$9,535,787	\$8,291,989
Total Rates							\$26,770,594	\$23,278,776

Rates Samples for the Year Ended 30 June 2025

The tables below show what the indicative rates are based on the decisions made by Council in preparing the Annual Plan 2024/2025.

Ratepayers in areas that are charged rates for water, wastewater and stormwater (Hokitika Community Rate) should refer to pp 6 and 8 for information on the increase in your indicative rates.

Rural

Excludes GST			UAGC @ 17.5%			
Area	Capital Valuation 30 June 2023 \$	Capital Value September 2024 \$	2023/24 Rates \$	Draft 2024/2025 Rates \$	Var \$	%age Var
Bruce Bay	785,500	947,000	2,547.49	2,519.00	(28.49)	-1.12%
Fox Glacier	800,000	830,000	2,637.19	2,826.00	188.81	7.16%
Franz Josef	420,000	590,000	1,754.38	1,698.00	(56.38)	-3.21%
Haast	80,000	90,000	972.52	986.00	13.48	1.39%
Hari Hari	2,070,000	2,360,000	5,991.09	5,573.00	(418.09)	-6.98%
Hokitika	460,000	770,000	1,222.16	1,639.00	416.84	34.11%
Kumara	12,000	43,000	928.87	967.00	38.13	4.10%
Ross	277,000	351,000	1,831.06	1,873.00	41.94	2.29%
Whataroa	1,050,000	955,000	3,248.11	2,569.00	679.11)	-20.91%

Rural residential

Excludes GST			UAGC @ 17.5%			
Area	Capital Valuation 30 June 2023 \$	Capital Value September 2024 \$	2023/24 Rates \$	Draft 2024/2025 Rates \$	Var \$	%age Var
Bruce Bay	830,000	1,060,000	2,141.38	2,236.00	94.62	4.42%
Fox Glacier	86,000	86,000	1,196.65	1,133.00	(63.65)	-5.32%
Franz Josef	300,000	450,000	1,446.02	1,504.00	57.98	4.01%
Haast	290,000	420,000	1,276.08	1,394.00	117.92	9.24%
Hari Hari	196,000	285,000	1,130.51	1,191.00	60.49	5.35%
Hokitika	510,000	690,000	2,298.06	2,551.00	252.94	11.01%
Kumara	182,000	317,000	1,462.20	1,573.00	110.80	7.58%
Ross	750,000	900,000	2,941.94	2,935.00	(6.94)	-0.24%
Whataroa	320,000	405,000	1,361.14	1,429.00	67.86	4.99%

Residential

Excludes GST				UAGC @ 17.5%			
Area	Capital Valuation 30 June 2023 \$	Capital Value September 2024 \$	2023/24 Rates \$	Draft 2024/2025 Rates \$	Var \$	%age Var	
Fox Glacier	640,000	640,000	3,155.54	3,421.00	265.46	8.41%	
Franz Josef	420,000	630,000	2,462.34	3,226.00	763.66	31.01%	
Haast	225,000	385,000	1,735.76	2,635.00	899.24	51.81%	
Hari Hari	130,000	175,000	1,276.65	1,617.00	340.35	26.66%	
Hokitika	390,000	520,000	2,959.15	3,891.00	931.85	31.49%	
Kumara	155,000	240,000	1,748.60	2,239.00	490.40	28.05%	
Ross	210,000	320,000	2,133.73	2,691.00	557.27	26.12%	
Whataroa	90,000	90,000	1,253.36	1,701.00	447.64	35.71%	

Commercial

Excludes GST				UAGC @ 17.5%			
Area	Capital Valuation 30 June 2023 \$	Capital Value September 2024 \$	2023/24 Rates \$	Draft 2024/2025 Rates \$	Var \$	%age Var	
Bruce Bay	385,000	520,000	3,327.62	3,428.00	100.38	3.02%	
Fox Glacier	670,000	1,000,000	6,102.18	7,658.00	1,555.82	25.50%	
Franz Josef	960,000	1,050,000	7,781.07	8,838.00	1,056.93	13.58%	
Haast	1,290,000	1,450,000	8,555.21	7,655.00	(900.21)	-10.52%	
Hari Hari	250,000	610,000	3,123.96	4,951.00	1,827.04	58.48%	
Hokitika	470,000	650,000	6,633.99	8,825.00	2,191.01	33.03%	
Kumara	170,000	245,000	3,093.34	3,947.00	853.66	27.60%	
Ross	910,000	1,430,000	6,582.47	8,205.00	1,622.53	24.65%	
Whataroa	235,000	345,000	2,688.34	2,884.00	195.66	7.28%	

Information on your property's proposed rates for 2024/2025 will be available in the Council's Rating Information Database (RID) online at: <https://www.westlanddc.govt.nz/do-it-online/search-databases/look-up-property-records/> during the month of May.

Whole of Council Prospective Funding Impact Statement for the Year Ended 30 June 2025

Prospective Council Funding Impact Statement			
	Long Term Plan 2023/2024 \$000	Long Term Plan 2024/2025 \$000	Annual Plan 2024/2025 \$000
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	12,307	12,283	11,241
Targeted Rates	10,142	11,014	11,925
Subsidies and grants for operating purposes	2,536	2,638	4,295
Fees and charges	1,924	1,997	2,599
Interest and dividends from investments	257	257	647
Local authorities fuel tax, fines, infringement fees, and other receipts	932	903	1,354
Total Operating Funding (A)	28,099	29,092	32,060
Applications of Operating Funding			
Payments to staff and suppliers	19,412	19,983	24,268
Finance Costs	1,424	1,650	1,374
Total Applications of Operating Funding (B)	20,836	21,633	25,642
Surplus/(Deficit) of Operating Funding (A - B)	7,263	7,459	6,418
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	4,090	2,626	8,092
Development and financial contributions	-	-	-
Increase (decrease) in debt	2,539	1,264	6,736
Total Sources of Capital Funding (C)	6,629	3,890	14,828
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	1,264	346	818
- to improve the level of service	3,555	3,390	6,995
- to replace existing assets	8,425	8,669	12,469
Increase (decrease) in reserves	648	(1,056)	963
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	13,892	11,349	21,246
Surplus/(Deficit) of Capital Funding (C - D)	(7,263)	(7,459)	(6,418)
Funding Balance ((A - B) + (C - D))	-	-	-

Annual Plan Disclosure Statement for the year ending 30 June 2025

What is the purpose of this statement?

The purpose of this statement is to disclose the council’s planned financial performance in relation to various benchmarks, to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings. Council is required to include this statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014. Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Benchmark	Limit	Planned	Met
Rates (income) affordability benchmark	\$36,191,105	\$23,165,498	Yes
Rates (increase) affordability benchmark	5%	3.2%	Yes
Debt affordability benchmark	\$57,476,650	\$30,035,246	Yes
Balanced budget benchmark	100%	108.6%	Yes
Essential services benchmark	100%	237.1%	Yes
Debt servicing benchmark	10%	3.4%	Yes

Notes

1 RATES (INCOME) AFFORDABILITY BENCHMARK

For this benchmark, the council’s planned rates income for the year is compared with a quantified limit on rates contained in the financial strategy included in the council’s long-term plan. The council meets the rates (income) affordability benchmark if its planned rates income for the year equals or is less than each quantified limit on rates

2 RATES (INCREASE) AFFORDABILITY BENCHMARK

For this benchmark, the council’s planned rates increases for the year are compared with a quantified limit on rates increases for the year contained in the financial strategy included in the council’s long-term plan. The council meets the rates affordability benchmark if it’s planned rates increases for the year equal or are less than each quantified limit on rates increases.

3 DEBT AFFORDABILITY BENCHMARK

For this benchmark, the council’s planned borrowing is compared with a quantified limit on borrowing contained in the financial strategy included in the council’s long-term plan. The council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

Council meets this benchmark in the Plan, but because interest rates have been low the limit is high. Increases will reduce this limit. This limit does not reflect Local Government Funding Agency limits, which are much lower.

4 BALANCED BUDGET BENCHMARK

For this benchmark, the council's planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant, or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment). The council meets the balanced budget benchmark if its revenue equals or is greater than its operating expenses.

5 ESSENTIAL SERVICES BENCHMARK

For this benchmark, the council's planned capital expenditure on network services is presented as a proportion of expected depreciation on network services. The council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

6 DEBT SERVICING BENCHMARK

For this benchmark, the council's planned borrowing costs are presented as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains/(losses) on derivative financial instruments, and revaluations of property, plant, or equipment). Because Statistics New Zealand projects that the council's population will grow slower than the national population growth rate, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its planned revenue.

Reserve Funds Council Created Reserves

Reserve	Purpose of each reserve fund	Balance 01 July 2023	Transfers into fund	Transfers out of fund	Balance 30 June 2024
		\$000	\$000	\$000	\$000
Kumara Township fund	Township funding for the purpose of community related projects	-	14	(14)	-
HariHari township	Township funding for the purpose of community related projects	2	14	(14)	2
Whataroa township	Township funding for the purpose of community related projects	2	14	(14)	2
Ross township	Township funding for the purpose of community related projects	-	35	(35)	-
Haast township	Township funding for the purpose of community related projects	(3)	14	(14)	(3)
Franz Josef township	Township funding for the purpose of community related projects	2	-	-	2
Fox Glacier township	Township funding for the purpose of community related projects	1	14	(14)	1
Kokatahi community fund	Township funding for the purpose of community related projects	1	(8)	8	1
Foreshore	Foreshore Protection for groyne replacement on the foreshore.	12	-	-	12
Glacier country promotions	Targeted rates collected from Glacier Country to provide funding for marketing projects.	(1)	-	-	(1)
Prestons bush	Mr Preston donated the reserve to Council. This fund was for the community to beautify the bush with tracks and interpretation boards.	-	-	-	-
HariHari community complex	The Harihari Pony Club land was sold and the funding was to go towards a new community complex.	72	-	-	72
Guy Menzies trust	Surplus from Guy Menzies Day Event.	1	-	-	1
Cycleway	Road reserve sold to Westland Dairies allocated to fund construction of Wilderness Trail	-	-	-	-
Marks Road Reserve	Funds from sale of Marks Road Property to be used for Haast Civil Defence (50%) and Haast community (50%)	91	-	-	91
Westland Racing Club	Westland Racing Club transferred the racecourse and \$250,000 to fund maintenance costs	226	(4)	-	222
General Rates Reserve	General rates funding	(1,833)	-	211	(1,623)
Emergency contingency fund	Rates collected to support Westland in a Civil Defence emergency.	67	-	-	67
Transport renewals	For funding the renewal of roads and bridges.	1,537	1275	(1,822)	990
Water renewal	For funding the renewal of water supplies networks	1,082	1624	(902)	1,804
Waste water renewal	For funding the renewal of sewerage and sewage networks	246	999	(653)	592
Stormwater renewal	For funding the renewal of stormwater systems	422	523	(761)	185
Solid Waste renewal	For funding the renewal of Refuse transfer Stations and equipment.	15	44	(42)	16
Parks and Reserves renewals	For funding Parks, Reserves, Public Toilets, Ross Pool and Cemeteries Asset Renewal	733	812	(253)	1292
Building renewals	For renewal of all Council operational buildings.	1,746	407	(322)	1,831
Administration renewals	For renewal of office equipment, furniture, technical equipment, vehicles and technology	517	303	(342)	479
Library renewals	To replace library books	368	107	(65)	410
Total Council created reserves		5,305	6,189	(5,048)	6,446

Restricted Reserves

Reserve	Purpose of each reserve fund	Balance 01 July 2023	Transfers into fund	Transfers out of fund	Balance 30 June 2024
		\$000	\$000	\$000	\$000
Offstreet Parking	Collected from developments in town to pay for off-street parking. Imposed by RMA/District Plan	63	-	-	63
Reserve Development	Monies collected from developments. Imposed by RMA/District Plan	492	150	-	642
Museum Assistance Fund	Originally the Museum Bequest Fund (\$8,458) & Carnegie Furnishings (\$3,929)	40	-	-	40
Kumara Endowment Fund	Proceeds from sale of Endowment land. Our brief research has not identified the specific terms of the endowment.	379	-	-	379
Euphemia Brown Bequest	Interest earned on funds administered by Public Trust Offices for the estates of Euphemia & William E Brown.	26	-	-	26
Mayoral Relief Funds	Contributions from James & Margaret Isdell Trust; and Coulston Herbert Trust;	26		(1)	26
Three Mile Domain	To fund Three Mile Domain costs.	78	-	-	78
Ross Endowment Land	Various endowment land parcels in Ross sold over time.	55	-	-	55
Hokitika War Memorial	Contributions from RSA parking lease		-	-	
Big Brothers Big Sisters	Grant funding Received	-	-	-	-
Community Patrol	Grant funding Received	(2)	2	(2)	(2)
Graffiti	Grant funding Received	-	-	-	-
Taxi Chits	Grant funding Received	-	-	-	-
Total Restricted Reserves		1,157	153	(3)	1,306
Total reserves		6,462	6,341	(5,051)	7,752

Fees and charges 2024/2025

ALL FEES AND CHARGES ARE GST INCLUSIVE UNLESS OTHERWISE STATED

Corporate service charges

Customer enquiries

First 30 minutes of staff costs are free, after that pro-rata \$58/hour

Black & White Photocopying

Single Sided - A4	\$0.35
Single Sided - A3	\$0.55
Double Sided - A4	\$0.45
Double Sided - A3	\$0.65
Single Sided - A2	\$3.25
Single Sided - A1	\$4.40
Single Sided - A0	\$7.25

Colour Photocopying

Single Sided - A4	\$2.75
Single Sided - A3	\$4.30
Double Sided - A4	\$3.80
Double Sided - A3	\$5.40

Laminating

A4 - Per Page	\$5
A3 - Per Page	\$7

Binding

Small - less than 100 pages	\$10
Large - more than 100 pages	\$15

Scanning and scanning to email

Large scale format scanning	\$5 per scan
Document scanning via photocopy machine	\$0.10 per page

Requests under the Local Government Official Information and Meetings Act (LGOIMA)

First hour of staff costs	Free
First 20 black and white copies	Free
Additional time	\$40 per ½ hour
Black and white copies in excess of 20 pages	\$0.20
Other costs – recovery	Actual cost
Other charges as per fees and charges schedule	

Meeting room hire

Pakiwaitara building meeting room	\$300 general public \$150 community groups
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Financial Services

Rates settlement refund processing fee	\$30.75
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Land Information Services

Land online Search—CT or Plan Instrument	\$10
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Land Information

GIS Map—A4	\$11
GIS Map- A4 with aerial photos	\$16
GIS Map - A3	\$21.80
GIS Map - A3 with aerial photos	\$33
GIS Client Services (per hour)	\$106

Property Files

Property File	\$30 per file request
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Land information memoranda

LIMs are issued per valuation number. Where multiple valuation numbers are under one title, individual LIMs will be required. Where there is more than one Certificate of Title, obtaining additional titles will be charged. A LIM does not include provision of a Certificate of Title.

Land Information Memoranda – Residential Property	\$350
Land Information Memoranda – Commercial Property	\$550
Urgent residential only - within 48 hours	\$500
Hourly rate for time exceeding standard deposit	\$200

Westland Library

Referral to Credit Recoveries – Administration fee	\$20
DVDs	\$2
Jigsaw	\$1
Replacement cards	\$1
Lost / Damaged Items	Replacement Cost
No subscription charges for residents of Westland, Buller, Grey or Selwyn Districts.	
Interlibrary loans (per item)	\$9 - \$24.50
Overseas Interlibrary loans (per item)	At cost
Activity Packs	\$2 - \$5
Book Covering	\$15 – \$20
Computer print outs A4	\$0.30
Computer print outs A4 – colour	\$2.60

Photocopying

A4	As for computer print-outs
A3 B/W	\$0.60
A3 Colour	\$4.50

Room Hire

Available during library opening hours

History Room	\$30 per hour
Digital Learning Centre	\$60 for 4 hour block \$100 for 8 hour block

Hokitika Museum

Admission fee

Westland residents	Free
Adult 16+ (visitors)	\$6
Youth (visitors) (1 years - 16 years)	Free

Research

Westland Residents - In person enquiry first half hour	\$5
Additional hours thereafter	\$30 per half hour
In person enquiry first half hour – non-Westland Residents	First half hour \$15
Additional hours thereafter	\$35 per half hour thereafter
Written research service (per hour)	\$65
Minimum charge	\$35
Special project research	By negotiation
Filming under supervision	\$75/hour
Reproduction/Reprint of collection items	\$30 per ½ hour plus reprint costs
Postage/packing	At cost

Photographs

Laser copy on card	A5/A4: \$10 A3: \$15
Digital image	\$20
Flash drive for supply of digital images	At Cost

Photocopies

Photocopying- Black and white A4 and A3 Refer to charges as set out in Corporate Services 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	\$100 per item
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Venue Hire

Carnegie Gallery Hire (per week)	\$60
Commission on sales	20%
Staff supervision outside normal hours	\$60 per hour

Sports field charges

Cass Square (season hire)

Touch Rugby per season	\$264
Softball per season	\$264
Rugby - per season	\$1,375
Cricket per season	\$264
Soccer per season	\$1,375

Cass Square (casual use)

Daily	\$264
Hourly	\$33
Wildfoods Festival	\$12,650
Showers and Changing Rooms	\$88
Changing Rooms only	\$38
Commercial Operators.	To be negotiated depending on type of usage

Hokitika Swimming Pool

Spectator	Free
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Single Admission

Adult	\$5
Senior Citizen (60+)	\$4
Child at school	\$3
Pre Schooler	\$1.50
Pre Schooler and Parent	\$3
Family (2 adults / 2 children)	\$13

Concession Ticket - 10 Swims

Adult	\$40
Senior Citizen (60+)	\$32
Child at school	\$24
Pre Schooler	\$12
Pre Schooler and Parent	\$24
Family (2 adults / 2 children)	\$104

3 month pass

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

Season Ticket

Adult	\$330
Senior Citizen (60+)	\$260
Child at school	\$200

AquaFit Classes (Includes entry to swimming pool)

Single Class

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

Concession Ticket – 10 Classes

Adult	\$60
Senior Citizen (60+)	\$50

Child at school \$40

Cemetery Charges

Hokitika

New grave (includes plot, interment and maintenance in perpetuity)	\$2,000
Ashes: plot purchase and interment (includes plot in Ashes Garden area and opening of plot)	\$700
Pre-purchase new Plot (interment added at the time)	\$1,800
Dig Grave site to extra depth	\$250
Additional cost to excavate grave on Saturday, Sunday or Public Holiday	\$425
Reopen a grave site	\$1,000
Inter Ashes in an existing grave	\$350
New grave in RSA area	\$1,000
Reopen a grave in the RSA Area	\$1,000
Inter a child under 12 in Lawn Area	\$2,000
Inter a child in children's section (Hokitika only)	\$700
Research of cemetery records for family trees per hour (one hour minimum charge)	\$38
Muslim burials	At cost

Ross and Kumara

New grave (includes plot, interment and maintenance in perpetuity)	\$2,000
Pre-purchase new plot (interment added at the time)	\$1,800
Inter Ashes (including registration) Note: Ashes berms are not currently available in Kumara or Ross but are under development.)	\$700
Reopen a grave site	\$1,000
Research of cemetery records for family trees per hour (one hour minimum charge)	\$38

Animal Control

Dog control

Standard Registration

Certified Disability Assistance Dog	NIL
Registration Fee: Hokitika and Kaniere township (urban)	\$74
Registration Fee: Other Areas	\$58

20% discount for Gold Card holders. Gold Card must be presented at the time of payment.

Responsible Owners

Inspection fee (first year)	\$50
Registration Fee: all areas	\$50

Dangerous dogs

Registration Fee: all areas	Standard registration fee plus 50%
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Late Registration

Registration Penalty –from 1 August	50% of applicable registration fee
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Dog Impounding Fees

First Impounding Offence	\$82
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Second Impounding Offence	\$164
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Third Impounding Offence	\$245
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Second & third impounding will apply if occurring within 12 months of the first impounding date.

Feeding per day	\$30
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Call-out for Dog Reclaiming (after hours)	\$150
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Microchipping per dog	\$30
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Investigations

Investigation Fee	\$150 per hour
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Impounding Act

Stock Control Callout Fees	\$225 per callout
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Stock poundage and sustenance Fees	Cattle, horse, deer, mule: \$30/head/day Sheep, goats, pigs, other animals: \$10/head/day
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Environmental Services

Food Act 2014

Registration of Food Control Plan	\$300
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Registration of National Programmes & National Programmes operating under a Food Control Plan	\$300
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Renewal of Food Control Plan & National Programmes	\$200
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Renewal of National Programmes operating under a Food Control Plan	\$150
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Amendment to registration – amendment of Food Control Plan Registration or National Programme	\$150
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Verification / Audit (Includes up to two hours of verification activities) – including site visits and compliance checks with food plans.	\$280 (Any time over and above initial two hours is charged at \$180/hour)
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Compliance and Monitoring fee	\$180 per hour
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Health Act 1956

Hairdressers Registration	\$350
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Offensive Trade Registration	\$400
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Mortuary Registration	\$350
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Camping Ground Registration	\$350
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Camping Ground - fewer than 10 sites	\$250
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Transfer of Registration	50% of registration fee
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Overdue Health Act Licences	50% penalty day after expiry date
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Miscellaneous Charges (Fees)

Transfer of any licence registration of premises	\$110
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Inspection or Advisory visit (non-routine)	\$180
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Follow-up inspection or corrective action assessment (includes any licence type or audit or compliance inspection type) \$180

Water or Food Sample Testing Actual cost

Environmental Health Officer (Hourly rate when extended time required to resolve issues) \$180

LGA Activities

Trading in Public Places (hawkers and mobile Shops)

Full Year	\$535
1 October to 31 March only	\$374
50% penalty fee for trading outside of this period	

Activities under other Legislation

Amusement Devices

For one device, for the first seven days of proposed operation or part thereof. \$11.50

For each additional device operated by the same owner, for the first seven days or part thereof. \$2.30

For each device, for each further period of seven days or part thereof. \$1.15

Class 4 Gaming

Class 4 Gambling Venue	\$500
Licence inspection Fee	\$250

Resource Management

NOTE: All fees and charges below are non-refundable, unless specified as a Fixed Fee, are deposits and minimum fees paid as initial charges on application. Staff time will be calculated at the hourly rates below. Under Section 36 of the Resource Management Act 1991, the costs of staff time and costs incurred processing the consent over the deposit will be invoiced, and where a charge is inadequate to enable the recovery of actual and reasonable costs the Council may require payment of any additional charge.

The costs incurred for the monitoring of consents and investigations of consent related incidents are to be recovered under Sections 36(1)(c) and 36(5) of the Resource Management Act 1991.

The costs incurred for the compliance investigations of non-consented incidents will be recovered under Section 150 of the Local Government Act 2002.

Printed copy of the District Plan	\$200
Public enquiries (including pre-application meetings) that exceed 30 minutes of staff input	\$200 per hour
Preparation and change to the District Plan deposit	\$10,000

Land Use: Deposit

Consent for single Rural Dwelling	\$1,100
Vegetation Clearance	\$1,600
Commercial Activity	\$1,600
Industrial Activity	\$1,600
Land use activities (not listed elsewhere)	\$1,300

Limited (where more than one party) or Public Notification of resource consents (in addition to deposit) \$1,000

Hearing \$5,000

Subdivision: Deposit

Subdivisions 2-5 lots \$1,300

Subdivision 2 -5 lots with Land Use \$1,600

Subdivisions 6-10 lots \$2,100

Subdivisions 6-10 lots with Land Use \$3,100

Subdivisions 11+ lots \$3,600

Subdivisions 11+ lots with Land Use \$5,100

General & Certificates

Administration fee for every granted consent \$200

Variations to Resource Consent \$900

Certificates and Permitted Subdivision (Compliance, existing use, marginal and temporary, boundary activities): fixed fee \$650

s125 Extension of time application: fixed fee \$900

s223 Survey Plan Approval: fixed fee \$200

s224 Approval fee \$700 plus staff time if inspection required

s223 and s224 approval combined \$800 plus staff time if inspection required

Monitoring charges \$200 per hour

Release of covenants, caveats, encumbrances, authority and instruction, amalgamations, easements, and other title instruments \$650 plus applicable legal fee

Designations

Variations to Designations \$2000

New Designations, Notices of Requirement and Heritage Orders \$3000

Approval of outline plan \$850

Consideration of waiving outline plan \$850

Personnel time

Planning staff processing time per hour for resource consent activities \$200 per hour

Compliance staff monitoring and investigation time per hour \$200 per hour

Administration staff time per hour \$180 per hour

Incidental costs inclusive of obtaining necessary information Actual costs of obtaining information

Internal engineering services per hour which exceed 15 minutes \$200 per hour

Independent hearing commissioner At cost

Compliance

Issue of infringement notice \$300 - \$1,000 pursuant to Schedule 1, Infringement Offences and Fees of the Resource Management Regulations 1999.

Return of items seized pursuant to section 328 of the Resource Management Act 1991: fixed fee \$600

Recreation contribution

5% of the value of each new allotment or the value of 4,000m² of each new allotment, whichever is the lesser. The minimum charge is \$3,931.72 per new allotment and the maximum charge is \$5,750 per new allotment, both GST-inclusive. The above contributions are based on average values of the Westland QV Sales Linesflow data from the 1st July 2022 till the 17th February 2023. (\$68.32 per m²)

Performance Bonds

Performance bonds may be put in place from time to time with the amount to be established on a case-by-case basis. Non-refundable lodgement fee \$650

Relocated buildings

In addition to Building Consent Fees, and the Building Research Levy, a minimum deposit of up to \$10,000 is required for buildings being relocated.

Building Consent Activity

The cost of your building consent depends on the type of application, costs of the work involved, levies, how long it takes to process and how many inspections you will need.

An estimated number of inspections will be charged for at the outset, with additional inspections charged for at the end of the project. Refunds may be available for any unused inspections, which is calculated at the end of the job.

All building work over \$20,000 attract MBIE and BRANZ levies and an insurance charge– see end of building consent fees and charges for this.

You, as the owner, are responsible for paying the fees. If you withdraw an application at any stage you are still required to pay charges incurred for the consent.

Housing / Residential Units – Single and Multi-Unit

Deposit – per application	\$3,000
Project Information Memorandum (with BC application)	\$230 plus processing fees
Compliance Check - RMA / Planning	\$100 plus processing time if over 30 minutes
Consent fee	Category Res 1 & 2 \$576 Res 3 \$750 Multi units x 2 \$1,153 Multi-units x 3 \$1,717 plus processing fees
Alpha One / Objective Build online processing charge	\$91 or 0.065% for total value of work over \$125,000
BCA Accreditation Levy	\$300
Inspection Fees	\$230 each
Code Compliance Certificate	Category Res 1 & 2 \$576 Res 3 \$750 Multi units x 2 \$1,153 Multi-units x 3 \$1,717 plus processing fees

Commercial/Industrial

Deposit – per application	\$3,000
Project Information Memorandum	\$330 plus processing fees
Compliance Check – RMA / Planning	\$100 plus processing time if over 30 minutes
Consent fee	Category Com 1 & 2 \$752 Com 3 \$916 plus processing fees
Alpha One / Objective Build online processing charge	\$91 or 0.065% for total value of work over \$125,000
BCA Accreditation Levy	\$300
Inspection Fee	\$230 each

Code Compliance Certificate –.

Category Com 1 & 2 \$752
Com 3 \$916

Accessory Buildings – garages, shed, sleepouts, temporary buildings, pool, signs and demolition outside of Schedule 1 etc

Project Information Memorandum	\$230 plus processing fees
Compliance Check – RMA	\$100 plus processing time if over 30 minutes
Consent & processing	\$207 plus processing fees
Alpha One / Objective Build online processing charge	\$91 or 0.065% for total value of work over \$125,000
BCA Accreditation Levy	\$100
Inspection Fee	\$230 each
Code Compliance Certificate	\$207 plus processing fees

Minor Alterations/Renovations (<\$150,000)

Project Information Memorandum	\$230 plus processing fees
Compliance Check - RMA	\$100 plus processing time if over 30 minutes
Consent fee	\$207 plus processing fees
Alpha One / Objective Build online processing charge	\$91 or 0.065% for total value of work over \$125,000
BCA Accreditation Levy	\$150
Inspection Fee	\$230 each
Code Compliance Certificate	\$207 plus processing fees

Major Alterations/Renovations (>\$150,000 and over)

Deposit - required	\$3,000
Project Information Memorandum	\$230 plus processing fees
Compliance Check - RMA	\$100 plus processing time if over 30 minutes
Consent fee	Category Res 1 & 2 \$576 Res 3 \$750 Category Com 1 & 2 \$752 Com 3 \$916 plus processing fees
Alpha One / Objective Build online processing charge	\$91 or 0.065% for total value of work over \$125,000
BCA Accreditation Levy	\$300
Inspection Fee	\$230 each
Code Compliance Certificate	Category Res 1 & 2 \$576 Res 3 \$750 Category Com 1 & 2 \$752 Com 3 \$916 plus processing fees

Free-standing Spaceheater

Set fee, including one inspection	\$630
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Additional Inspection Fees	\$230 each
Additional Processing	\$200 per hour processing (\$150 per hour for administrative staff)

Plumbing & Drainage

Project Information Memoranda	\$200 per hour processing (\$150 per hour for administrative staff)
Compliance Check	\$100 plus processing time if over 30 minutes
Consent fee	\$207 plus processing fees
Alpha One / Objective Build online processing charge	\$91 or 0.065% for total value of work over \$125,000
BCA Accreditation Levy	\$60
Inspection Fee	\$230 each
Code Compliance Certificate	\$207 plus processing fees

Application for Public Information Memorandum (PIM) only

BCA Accreditation Levy	\$60
PIM Fees - Residential	\$230 plus processing fees
PIM Fee - Commercial/Industrial	\$330 plus processing fees
Alpha One / Objective Build online processing charge	\$91
Compliance Check	\$100 plus processing time if over 30 minutes

++Where any building charge is inadequate to enable the recovery of the actual and reasonable costs, a further charge may be payable.

Marquees Only

Consent fee	\$68 plus processing fees
Alpha One / Objective Build online processing charge	\$91 or 0.065% for total value of work over \$125,000
BCA Accreditation Levy	\$60
Inspection Fee	\$230 each
Code Compliance Certificate	\$68 plus processing fees

Receiving and Checking Building Warrant of Fitness (BWOFF)

BWOFF - On or before due date	\$60 backflow preventor only \$206 (2 – 6 specified systems) \$400 (7 or more specified systems)
After due date	Fee plus 50% penalty fee

Compliance Schedules

New Compliance Schedules	\$455 plus processing fees
Compliance Schedule Audit	\$220 plus processing fees
Duplicate/copy Compliance Schedules	\$162
Amendment to compliance schedule	\$225 plus processing fees

Certificate of Acceptance

Certificate of Acceptance – Emergency works	A fee of \$578 plus any fees, charges and levies that would have been payable had a building consent been applied for plus processing fees
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Certificate of Acceptance – all other works application fee	\$1,800 flat fee plus any fees, charges and levies that would have been payable had a building consent been applied for. plus processing fees
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Other Building Charges

Notices to Fix	\$546 plus processing fees allows 1 investigation inspection. Additional inspections will be charged accordingly.
Residential Swimming Pool compliance inspection	First inspection \$230 Re-inspection \$230
Certificate of Public Use [CPU] (valid for 12 months from issue)	\$546 plus processing time
Additional CPU	\$1092 Plus processing fees
On-site - Variation to building consent	\$112 plus processing fees
Building consent amendment	\$151 plus processing fees plus online processing charge and accreditation levy
Building consent amendment accreditation levy	as specified in each section
Extension of time for exercise of building consent	\$172
Signing of Certificates for Lodgement (s 72 & s75)	\$106 plus processing time
Deposit to lodge s 72/75 certificate	\$650 (actual costs to be charged) includes lawyers costs, lodgement and council costs.
Removal of s 73 or 75 certificate	\$350 plus processing time
Section 124 notice – dangerous/insanitary buildings (except in the event of a natural disaster)	\$350 plus processing time
Extension of time for obtaining CCC	\$172
Preparation of Sec 37 Certificate	\$82
Fee to relook at a CCC once it is refused	\$172
Processing fees per hour	\$200 per hour processing (\$150 per hour for administrative staff)
Meetings charge out rate – staff	\$200 per hour – chargeable after first 30 minutes
Specialist / consultancy specific design input	At cost plus 10%
Insurance Levy	
Residential, and accessory buildings: assessed value of work over \$20,000	\$200
Multi-units	\$300
Commercial	\$400
Exemptions under Schedule 1(2)	\$374 plus levies & \$91 online processing charge fees apply whether the decision is to approve or decline the application
Investigation/Additional / Site Inspections	\$230 each
Cancellation of inspection – on the day of	\$230 each
Certificate of compliance (district licencing agency) – building code assessment for fire safety and sanitary facilities in a building, done with a alcohol licence application	\$106 plus processing fees
Building Infringement	Relevant set fee plus \$153 administration charge
Application for extension of time – Heritage Earthquake prone building	\$350 plus processing fees
Receiving and reviewing of engineer/ information relating to status of an earthquake prone building	\$450 plus processing fees

Issue of Earthquake prone building notice (S133AL)

\$250 plus processing fees

Building Research Levy

In addition to the Building Consent Fee, a Building Research Levy based upon \$1.00 per \$1,000 or part thereof of total value is required to be paid.

Consents of lesser value than \$20,000 are exempt from this levy.

Building MBIE Levy

In addition to the Building Consent, a Building Industry Levy based upon \$1.75 per \$1,000 or part thereof of total value is required to be paid.

Consents of lesser value than \$20,444 are exempt from this levy.

Independent Building Consent Authority (BCA)

Where the services of a Building Certifier are used, the fee will be established on a case by case basis to ensure full cost recovery.

Election Signs – if not exempt work under Schedule 1 of the Building Act 2004

Up to 3 signs	\$328
Up to 6 signs	\$650
For each additional sign in excess of 6. signs	\$22

Reports

Monthly building consent reports	\$65
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Baches on Unformed Legal Road

Annual Site Fee	\$2,635.75
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District Assets

Water Supply Connections

Actual cost recovery relating to the installation of water supply connections.

Sewerage & Stormwater Connections

Actual cost recovery relating to the installation of sewerage and stormwater connections.

Vehicle Crossings

Actual cost recovery relating to the installation of vehicle crossings.

Sewerage Supply

Trade Waste charges are levied separately according to waste volume and utilisation of sewerage system.

Minimum fee of \$2500 per annum

Dumping into sewerage system, annually	\$2500
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Water Supply Annual Charges

Hokitika / Kaniere Water Supply	Commercial metered supply per cubic metre \$2.90
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The minimum charge for commercial or significant user metered water connections is the same as the commercial water rate.

Council reserves the right to negotiate metered charges with significant users

Treated Supplies—Rural Towns Fox Glacier / Franz Josef / Commercial metered supply per cubic metre \$2.90

Whataroa / Hari Hari

Road Damage – New Build

Road damage deposit – refundable deposit	\$2,500
Road Damage (unconsented works) enforcement	At cost (staff time)

Remedial action for unconsented road works	Full cost of remedial work required plus staff time
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Temporary Road Closures

Non-refundable application fee	\$200
Additional Information request (from applicant)	\$107 per hour
Public Notification on approval	At cost
Management of temporary road closure	At cost
Call Out / Audit of Traffic Management Plan	\$255 per hour
Not for Profit Organisations	Exempt

Jackson Bay Wharf Charge (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

Vessels over 13.7 metres (45 feet)	\$5,040
Vessels between 9.1 metres and 13.7 metres (30-45 feet)	\$1,875
Vessels up to 9.1 metres (30 feet)	\$1,340
Casual users landing wet fish (per tonne)	\$29.25
Casual users landing crayfish (per tonne)	\$375

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

Vessels over 13.7 metres (45 feet)	\$315
Vessels between 9.1 metres and 13.7 metres (30-45 feet)	\$250
Vessels up to 9.1 metres (30 feet)	\$130

For information: admin2@destinationwestland or call Destination Westland Limited (03) 755 8497

Recreational Boat Ramp use	\$10 per day
Car parking	\$10

WASTE MANAGEMENT

Any legislative charges under the Waste Management Act will be imposed as a levy if required.

Note: Government requires Council to charge a levy of \$10.00 per tonne, or equivalent volume at non weighbridge sites, on all waste disposed of to landfill. This is included in the below fees.

For non-standard loads, the Transfer Station Operators reserve the right:

- To measure the waste and charge the per cubic metre rate or;
- To measure the load and use the Ministry for the Environment Conversion Factors for compacted or dense waste.

Hokitika Transfer Station

Refuse Site Gate Fees

General Waste

Per tonne	\$595
60L bag	\$6

Green Waste

Green Waste per tonne	\$55
60L bag Green Waste uncompacted	\$0.75
Accepted Recyclable Items*	Free

*All glass will be accepted free of charge.

Other

Cars Prepared (Conditions apply, per item)	\$150
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Non Weighbridge Sites

Uncompacted General Waste

Per Cubic Metre small loads < 0.5m ³	\$85
Per Cubic Metre large loads > 0.5m ³	\$107
60L bag	\$4.50
120L Wheelie Bin	\$12.50
240L Wheelie Bin	\$25
Small Trailer /Ute (0.68m ³)*	\$73
Medium Trailer (0.91m ³)*	\$100
Cage or Large Trailer (2.7m ³)*	\$292

*Take to Hokitika site. All glass accepted free of charge

Uncompacted Green Waste

Per Cubic Metre	\$11.50
60L bag	\$0.75
Small Trailer /Ute (0.68m ³)	\$7.50
Medium Trailer (0.91m ³)	\$11.50

All Sites: Other Items

Gas Bottle Disposal	\$15
Whiteware (Fridges must be degassed, per item)	\$16.5
Tyres (Based on average weight of 7.5kg, per item)	\$10
Tyres over 7.5kg e.g. truck tyres	\$20

Rubbish & recycling receptacles

Replacement and additional recycling bin 240 L (maximum 2x \$150 sets of bins per household)

Replacement and additional rubbish bin 120 L (maximum 2x \$130 sets of bins per household)

Delivery fee per replacement bin \$50

SALE AND SUPPLY OF ALCOHOL

On, Off or Club Licence

Applications and renewals for On, Off or Club Licence are assessed using a cost / risk rating system. The cost / risk rating of the premises is the sum of the highest applicable weighting for the type of premises and type of licence, the hours of operation and any enforcement holdings in the last 18 months.

Cost/risk rating	Fees category	Application fee \$ incl GST	Annual fee \$ incl GST
0-2	Very low	\$368	\$161
3-5	Low	\$609.50	\$391
6-15	Medium	\$816.50	\$632.50
16-25	High	\$1,023.50	\$1035
26 plus	Very High	\$1,207.50	\$1437.50

The cost/risk rating used to set the fees above is calculated using the tables below.

Latest alcohol sales time allowed for premises

Type of Premises	Latest trading time allowed (during 24 hour period)	Weighting
Premises for which an on-licence or club-licence is held or sought	2.00 am or earlier	0
	Between 2.01 and 3.00 am	3
	Any time after 3.00 am	5
Premises for which an off-licence is held or sought (other than remote sales)	10.00 pm or earlier	0
	Any time after 10.00 pm	3
Remote sales premises	Not applicable	0

Type of premises

Type of Licence	Type of Premises	Weighting
On-licence	Class 1 restaurant, night club, tavern, adult premises	15
	Class 2 restaurant, hotel, function centre	10
	Class 3 restaurant, other premises not otherwise specified	5
	BYO restaurants, theatres, cinemas, winery cellar doors	2
Off-Licence	Supermarket, grocery store, bottle store	15
	Hotel, Tavern	10
	Class 1, 2 or 3 club, remote sale premises, premises not otherwise specified	5
	Winery cellar doors	2
Club-licence	Class 1 club	10
	Class 2 club	5
	Class 3 club	2

Enforcement holdings

Number of enforcement holdings in respect of the premises in the last 18 months	Weighting
None	0
One	10
Two or more	20

Definitions for types of premises

Type	Class	Description
Restaurants	1	A restaurant that has or applies for an on-licence and has, in the opinion of the Territorial Authority, a significant bar area and operates that bar area at least one night a week in the manner of a tavern.
	2	A restaurant that has or applies for an on-licence and has, in the opinion of the Territorial Authority, a separate bar area and does not operate that bar area in the manner of a tavern at any time.
	3	A restaurant that has or applies for an on-licence and, in the opinion of the Territorial Authority, only serves alcohol to the table and does not have a separate bar area.
	BYO	A restaurant for which an on-licence is or will be endorsed under section 37 of the Act.
Clubs	1	A club that has or applies for a club licence and has at least 1,000 members of purchase age and in the opinion of the territorial authority, operates any part of the premises in the nature of a tavern at any time.
	2	A club that has or applies for a club licence and is not a class 1 or class 3 club
	3	A club that has or applies for a club licence and has fewer than 250 members of purchase age and in the opinion of the territorial authority, operates a bar for no more than 40 hours each week.
Remote sales premises		Premises for which an off-licence is or will be endorsed under section 40 of the Act.
Enforcement holding		A holding as defined in section 288 of the Act, or an offence under the Sale of Liquor Act 1989 for which a holding could have been made if the conduct had occurred after 18 December 2013.

SPECIAL LICENCES

The fee payable for a Special Licence is assessed using a cost / risk rating system depending on the size of the event and the number of events applied for.

Large event: Means an event that the territorial authority believes on reasonable grounds will have patronage of more than 400 people.

Medium event: Means an event that the territorial authority believes on reasonable grounds will have patronage of between 100 and 400 people.

Small event: Means an event that the territorial authority believes on reasonable grounds will have patronage of fewer than 100 people.

Class	Issued in respect of	Application fee \$ incl GST
1	1 large event: More than 3 medium events: More than 12 small events	\$575
2	3 to 12 small events: 1 to 3 medium events	\$207
3	1 – 2 small events	\$63.25

CONSULTATION DOCUMENT

TE KAHUI O POUTINI WESTLAND DISTRICT COUNCIL DRAFT ANNUAL PLAN 2024/2025



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Why a 2024/2025 Annual Plan?

In November 2023 the incoming government announced their 100 day plan, including repealing the previous Labour government's Three Water Reform legislation. National's policy, known as 'Local Water Done Well' is to ensure that three waters assets remain with Councils, who will have to meet strict water quality standards and invest in ongoing maintenance and replacement of vital water infrastructure.

The Water Services Acts Repeal Act 2024 was introduced in February 2024 and repeals legislation relating to water services entities and their economic regulation, reinstates previous legislation, but retains technical amendments relating to the regulation of water services by Taumata Arowai – the Water Services Regulator.

Within the Act are transitional arrangements for Councils: allowing Councils that had not begun 2024 – 2034 Long Term Plan (LTP) consultation to delay or defer their LTP for three or 12 months. Westland District Council opted to defer adopting the LTP until June 2025, and has instead issued an enhanced draft Annual Plan 2024/2025. Deferring the LTP gives Council time to ensure that we can share robust and accurate three waters information with our community for the remaining nine years of the LTP.

Later in 2024 further legislation will be introduced that will impose requirements for financial sustainability, economic regulation, and structural and financing tools, along with streamlined methods to form Council Controlled Organisations for the delivery of water services with other local Councils. This will provide Council with greater certainty and allow us to produce a better plan within the LTP.

DRAFT

What is the Annual Plan and Consultation Document?

The Annual Plan (AP) is the Council's yearly review of the 10-year Long Term Plan (LTP). It outlines the changes to the Council's workplan and costs that the Council budgeted for the fourth year of the LTP. In the fourth year, Council usually produces a new LTP. However, this year, due to uncertainties surrounding the Government's plan for Local Water Done Well, Council has opted to do an extended AP instead. Council's next LTP will be produced in 2025.

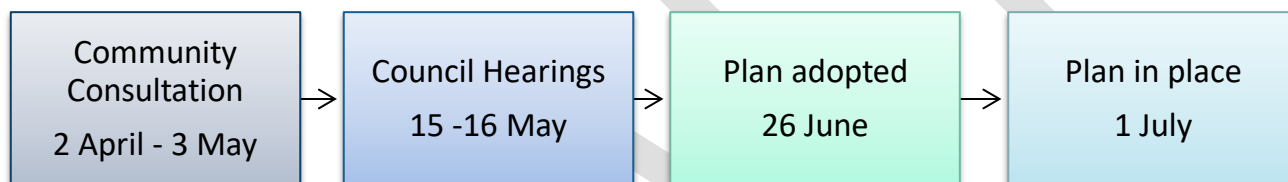
This Consultation Document tells you the outcomes of the review and what Council plans for the next year. We would like your feedback on some of the proposed decisions so that Council can make the best choices for the community.

Council has drafted the AP with a view to reducing rates burden on the community as far as possible. We have set out our proposed rates changes for your consideration on p 5 - 7.

What this document is all about is getting your views. So, take the opportunity – we'd love to hear from you!

At the end of the consultation period, we will be holding hearings so that you can speak about your submission.


How it works




How to share your feedback

This Consultation Document and the draft Annual Plan 2024 -2025 set out Council's proposed spending and projects for the next year.


It's easy to have your say:




Visit our website www.westlanddc.govt.nz/AP24-25-submit/ and fill out the submission form.



Complete the feedback form at the end of the booklet and send it back to us.



Email your views to consult@westlanddc.govt.nz



Have a chat with a local Councillor

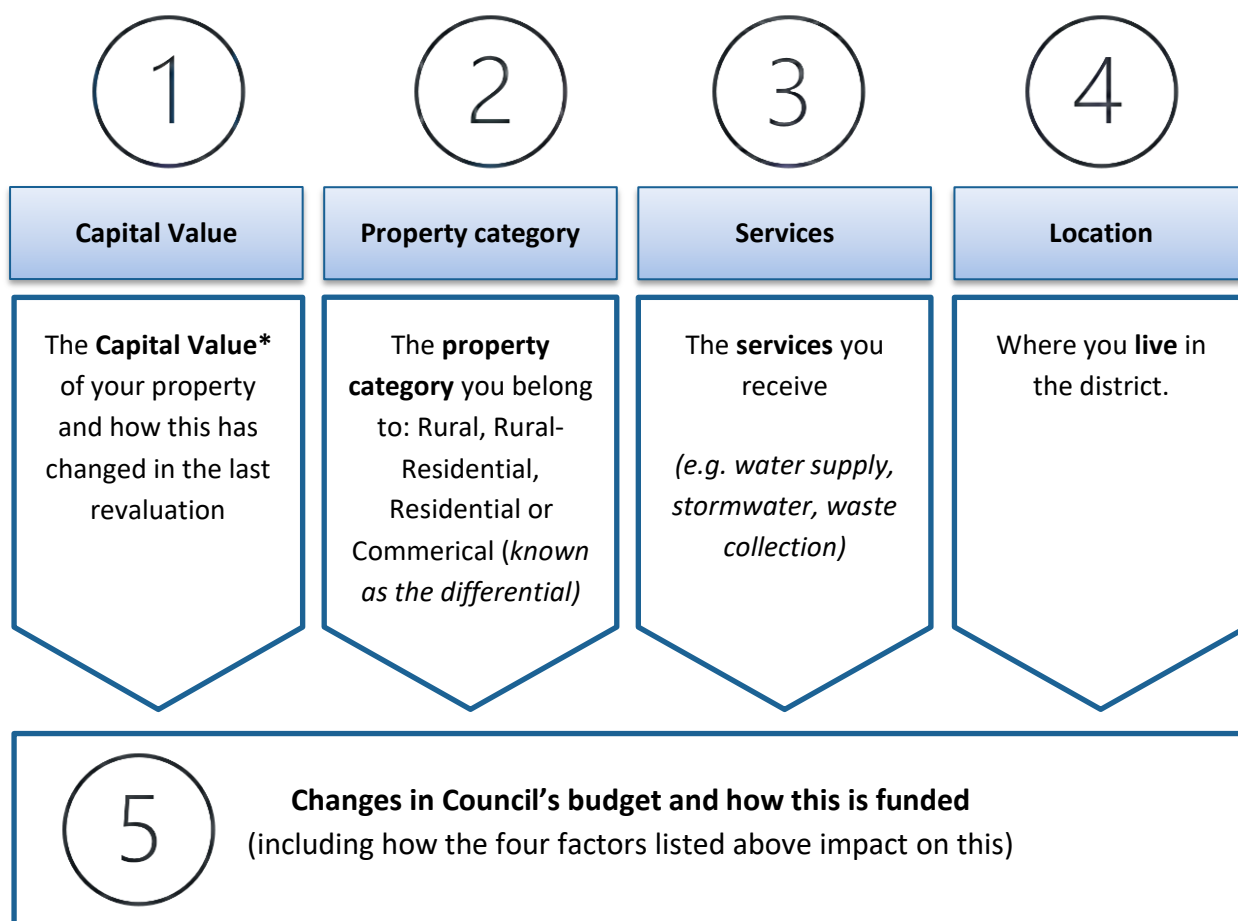
The key points you need to know are contained in this booklet. For full details of our proposed Annual Plan, including the finances, projects, and the services we provide visit our website www.westlanddc.govt.nz/AP24-25/, or review a copy at the library or Council's customer service desk.

What's behind the changes in your rates?

Council is proposing an overall increase of **19.7%** in the amount of revenue Council collects in rates. This does not mean that every property will get that increase.

Some will pay less, others more.

Changes to your rates bill are based on five factors:



Find out more about how we calculate your rates on p 8.

**Every three years, district properties are revalued by Quotable Value NZ. Revaluations have been prepared for 2023 and reflect the likely price a property would have sold for on 1 September 2023.*

The change in the value of your property affects how much you pay towards the general rate. Each property will be different.

What changes are proposed for rates?

Where Council is proposing the greatest increases is through the targeted rates for three waters (Drinking Water, Stormwater and Wastewater), and metered water.

Only households that are connected to Council’s three waters systems pay these rates. This will have the biggest impact on residential and commercial ratepayers. Altogether these rates make up 34.5% of the funding that Council will collect through rates.

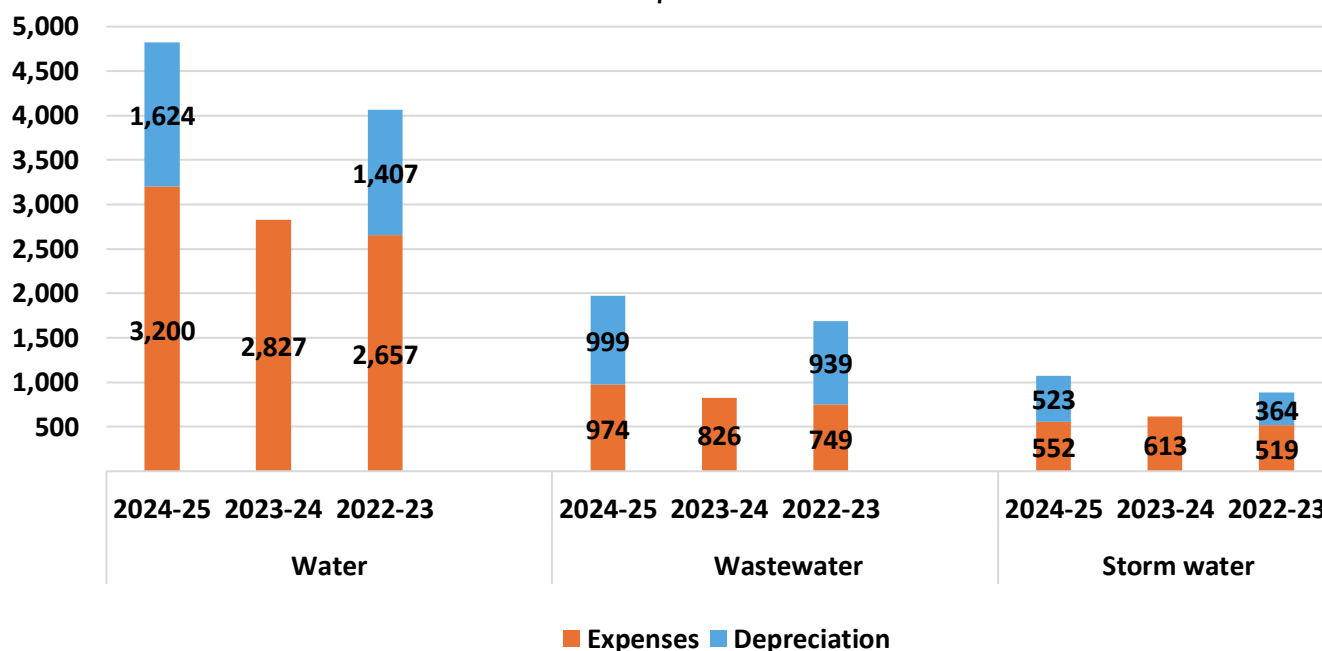
Three things are driving the cost increases for three waters:

- Requirements imposed by the Water Services Act 2021 and other secondary legislation.** Council is required to comply with statutory requirements and supply safe drinking water through treatment, monitoring and reporting to Taumata Arowai – the Water Services Regulator as set out in the Drinking Water Quality Assurance Rules. Alongside this, we are also required to monitor and report to Taumata Arowai on the environmental performance of our stormwater and wastewater networks.

This means that Council is required to increase the amount of testing for each of the three waters systems and pay the additional costs incurred. In some cases, the amount of testing required has tripled and our costs reflect that.

- Funding depreciation.** Council funds depreciation where it expects to replace those assets in the future. In the 2023/2024 Annual Plan, Council stopped funding the depreciation on three waters assets because there was no expectation of any future spend once those assets were transferred to the new entity under the Three Waters Reform legislation. Under the new Local Water Done Well policy, these assets will remain with Council and, as a result, Council has re-instated funding of the depreciation.

**Annual Plans 3-Water Rates Comparisons
(Impact of depreciation re-instatement)
\$000**



- As a result of the asset revaluation in 2023,** our three waters assets value increased by 11.36%. This has a flow on effect on our depreciation charge.

Other rates

- **General rates:** Everyone contributes to the general rate, which funds services for the community and the running of Council. The good news is that in the proposed budgets, Council only intends to collect about \$76.6k more through general rates than in 2023/2024, which means the increase in this rate is very low at 0.68% and this cost is spread across every property.
- **Uniform Annual General Charge:** This is a flat charge that all ratepayers pay, which covers services benefitting the community. This is proposed to increase to \$750.01 (GST inclusive) per rating unit.
- **Community rates changes:** Community rates are charged to each community for the services that each community receives. The stormwater portion of this rate will increase under this plan for the reasons described above. There is a slight increase in the community services portion, but a reduction in the facilities portion.

Find out more about what this will look like on pp 8 and 30-31.

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Understanding your rates

Rate Assessments

Rates assessments are made up of two types of rates: *General Rates* and *Targeted Rates*. Everybody pays a general rate which is set and assessed on the capital value of all rateable land in the district. General rates are also affected by the location and use category (differentials) defined for each property. Some categories pay at higher or lower rates.

Targeted rates are payable by properties in a certain location, or those that receive, or are able to receive, a particular benefit. Targeted rates can be calculated on a value basis or a uniform basis. Most of Council's present targeted rates are calculated on a uniform or flat basis, which means all ratepayers pay the same amount, irrespective of the value of their property.

Uniform Annual General Charge (UAGC)

The Uniform Annual General Charge is the only targeted rate that applies to all properties.

Other factors affecting your rates

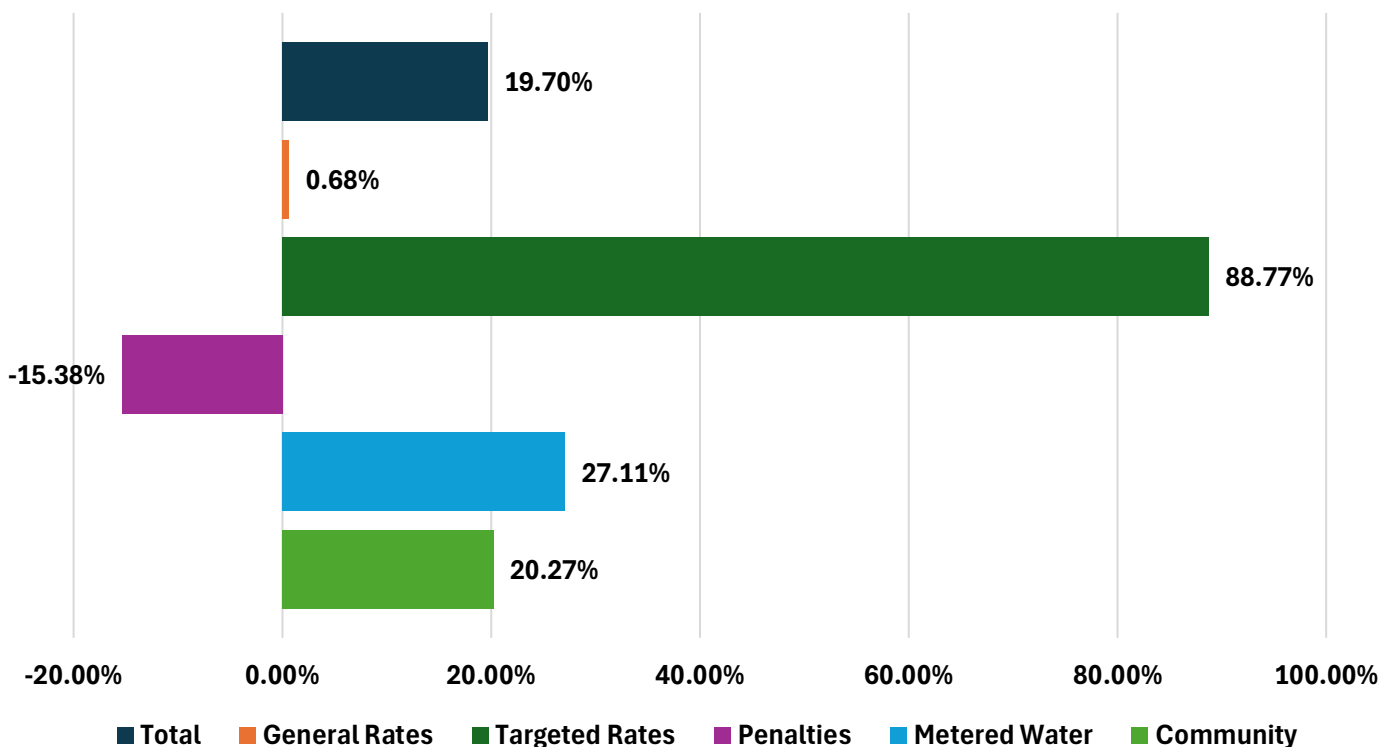
Each year Council calculates how much it needs to collect in rates from ratepayers to fund community infrastructure and services. This figure is then used to calculate the general and targeted rates assessment on individual properties.

Two factors affect what an individual ratepayer might pay in rates from year to year. The first is the Quotable Value NZ property valuation which occurs every three years. The other factor is a change in use of the land. If either of these two factors change then the rates calculation on the property changes.

What your rates are used for

If Council adopts all the proposals in this document, rates for each activity will increase/decrease by the following percentage of rates:

Average rate change by type



Council's Strategic Direction

Elected members and our Iwi partners have been considering what is important for the District, what we are facing in the future and what we should focus on.

Local government continues to face significant change and challenge. Council's work is not just about the present. We need to consider how those future challenges might impact our district and our services, both now and in the future.

This includes considering the impact on you, and future generations; all our current and future residents, as not only are they users of these services, but they will also contribute towards paying for them.

As a Council, we are legislatively charged with improving Community Wellbeing, which is essentially about making our place a better place.

Council is taking on a new strategic direction, including a vision, values, community wellbeing outcomes and some key focus areas for this next 10-year cycle. This Annual Plan is about how we start to deliver on this strategic direction. You'll find out more about how we intend to deliver when we produce our next Long Term Plan in 2025.

Council Vision

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

Our aspirations, values and role

Active leadership

Council works with integrity and honesty building the respect and confidence of the community.

Togetherness

Building strong relationships and partnerships with stakeholders, encouraging citizens to play an active role within their communities for success.

Future proofing

Safeguarding our unique natural environment and cultural heritage to support communities' resilience in the face of social, economic, and environmental challenges.

Community Wellbeing Outcomes:

To promote our District's social, economic, environmental, and cultural wellbeing, Council is focused on:

- Sustainable environment
- Diverse economy
- Embracing our culture
- Live and play
- Resilient infrastructure

Find out more about these outcomes on pp7 - 9 of the draft Annual Plan 2024/2025.

Key issues

Council Headquarters



Westland District Council building

Since 1992 Council has been headquartered in the old Post Office building at 36 Weld Street in Hokitika. Most of Council's staff work from this building with public areas for the Customer Service Centre and visitor information services. Due to the age of the building, there are some structural and health and safety issues that need to be addressed.

Over the past few years elected members have been discussing the future location of the Council's headquarters and how to get the best deal for ratepayers. Through a series of workshops, elected members have considered options that will meet the needs of Council's current and future operations. These workshops considered both financial and non-financial issues:

- Structural issues.
- Potential location for activities undertaken in Council's buildings and full utilisation of the buildings.
- Need for a fit for purpose Emergency Operations Centre (EOC)
- Construction fit-out costs.
- Valuations for buildings if identified work undertaken.
- The difference in operating costs over a 25-year period.
- Income and savings for the alternative uses for the completed building.
- Value from selling unused buildings.

The desired outcome of these workshops was to identify how to achieve:

- Modern and productive Council offices that provide resilience to natural hazards and potential government reforms.
- A fit-for-purpose library.
- Ensure that there are no detrimental effects on the Hokitika town centre.
- Gain value from Council-owned assets.

Three reasonable options have been identified. Both refurbish options are cheaper than a new building. Of the two refurbish options, Pakiwaitara has the lowest net cost, even after accounting for the cost of not accommodating the library. Refurbishing the current headquarters is the mid-range cost and provides a solution for the library. Both the current Council headquarters and the Pakiwaitara building are in a prominent location at the entrance to the Hokitika town centre. Remaining in either of these buildings would maintain a Council presence and large workforce within the town.

What do you think we should do? Where is the best location for the Council headquarters?

Make a submission to let us know what you want.

What are the options?

Option 1

Strengthen and refurbish the Pakiwaitara building for use as Council offices

For Council to move into the Pakiwaitara building permanently, the space needs to be rearranged to fit Council over both floors. Council would undertake the required work to meet earthquake strengthening standards. Remaining space in the building could be leased out for the café, community services or retail. This would provide an income stream for the Council. Upgrading this building will meet current and future operational needs of the Council, however it is an ageing building that would still require some regular maintenance. Council will also still have to find a long-term solution for the EOC and consider future climate change impacts.

A long-term solution would still need to be decided for the library, which would stay at its present location.

Capital costs: \$5.5m to strengthen, make compliant and fit-out.

Funded by Debt.

Option 2

Preferred option

Strengthen and refurbish the current location

Upgrading and strengthening the building at 36 Weld Street will meet current and future operational needs of the Council, however it is an ageing building that would still require some regular maintenance. This option gives Council the space to relocate the library to the ground floor of the building, with office space on the first and second floors. To do this requires reconfiguring the current office layout but has the advantage of saving the costs of the library lease and library building maintenance. Staff would be relocated to the Pakiwaitara building in the short-term while work was done on the current location. Council will also still have to find a long-term solution for the EOC and consider future climate change impacts.

Capital costs: \$8.4m to strengthen, make compliant and fit-out, between now and 2027.

Funded by Debt.

Option 3

New Build at the airport

A new build at the airport could future proof Council's operations by providing a building that is secure from the effects of climate change and flexible enough to accommodate changing demand in staff and services. As a new building it would be very low cost to maintain over the next 25 years. It could be built to sustainable standards, reducing Council's carbon footprint; however, this would come at an increased cost and has not been evaluated. This option would include the ability to incorporate an EOC into the building design, which would provide cost-savings. As yet, no design or build standards have been confirmed and the capital cost to build is a high-level estimate. Council has already explored the possibility of working with other agencies on an EOC and could carry on these conversations regarding a new build headquarters that could be shared.

Building a Council headquarters out of Hokitika Town Centre would move a large workforce outside of town and make Council less accessible for many of our customers. There is no guarantee that another business would take over the current headquarters or Pakiwaitara building, leaving two empty buildings at the entrance to the town. This is the least affordable option and there would be no cost-saving for the library activity as Council would still need to find a long-term solution for the library. It would also be impractical for our customers to move the library out of the town centre and this is not part of this option.

Capital costs: \$10.7m construction cost and enhanced utilities.
\$250,000 for IL4 to ensure building can operate as an EOC.

Funded by Debt.

Land Transport levels of service

Every three years, when developing the Long Term Plan, every Council and their community in New Zealand must decide what level of service they want for maintaining the roading network. This allows Councils to bid for the right level of funding from Waka Kotahi to support the maintenance of the local road network. Our bid will now be made through this Annual Plan 2024/2025 for the 2024 – 2027 funding years.

Council's local road network is 693.6km of sealed and unsealed roads and 269 bridges. With a lack of public transport and dispersed communities a high volume of traffic uses the network.



Cron Street extension, Franz Josef

For the 2024 – 2027 years, Waka Kotahi will subsidise Westland District Council \$0.64c in every dollar of spending on our roads and will fund 100% of the maintenance of the Haast-Jackson Bay special purpose road. This leaves 36% of the cost for maintaining the roads paid by ratepayers. Council needs to balance the quality of the local road network with how much is spent to maintain them. Ideally asset renewal expenditure should match annual asset depreciation figures to maintain present levels of service. There is a fine balance between setting appropriate and achievable renewals that also keep maintenance levels affordable.

Westland District, Grey District and Buller District have a combined Transportation Asset Management Plan (AMP). The AMP outlines the following benefits for investing in the transportation network:

1. Improve network resilience (40%)
2. Safer travel (35%)
3. Improved transport efficiency (25%)

It recognises that the three Councils need to work collaboratively to improve the delivery of core maintenance, operation, and renewal activities for each Council's local road network, and take a strategic approach to proactively planning for and investing in current and future assets that are fit-for-purpose now and into the future.

Drivers of increasing costs in the land transport activity are:

- Significant increases to material, fuel, and labour costs since 2020/21 with a highly volatile marketplace post-Covid 19 driving up costs across all of Council's service delivery. These cost increases are impacting each Council's ability to deliver the planned quantity and/or quality of works within approved budgets.
- New / improved data and evidence highlighting asset condition and performance issues, a growing backlog of works, and the need to increase the annual quantity of work to ensure assets achieve expected lives and avoid more costly early renewal and replacements.
- These increases have been especially felt for:
 - Sealed roads due to high bitumen and fuel cost increases leading to a more than doubling of per m2 rates to reseal roads.
 - Bridges and structures as the cost of labour and materials (e.g., steel) have increased
 - Climate change response, the district is experiencing more frequent high-intensity storm events that increase the maintenance and repair demand on the network.

Lowering the level of service for the maintenance of the local road network gives ratepayers the greatest gain in terms of reduced rates. The risk to this is that lower investment in the network will lead to deterioration of assets and puts pressure on the 10-year replacement plan; reduces road safety with lower investment in pavements, road markings and signage, just when tourism is increasing; and insufficient investment in improved data, asset management and procurement reduces Council’s ability to plan strategically and proactively to ensure long-term value of the network.

The options below have been further refined following our final bid to Waka Kotahi for funding, resulting in a 5th option being put forward, which is option 3, Council’s preferred option, in this document. If Council goes forward with the preferred option outlined, the cost per ratepayer of Land Transport in the 2024/2025 Annual Plan is \$455.73 per ratepayer based on the current 6,685 ratepayers.

What level of service for the land transport activity do you want us to provide?

Make a submission to let us know what you want.

What are the options?

Option 1	Status Quo
	<p>For this option Council would maintain the current (2021 – 2024) budgets and workplans, with no increase to funding requirements. This is the cheapest option for ratepayers, but the lower investment in the roading network will lower the level of service leading to faster asset deterioration. With cost increases outlined above Council will not be able to afford to continue an enhanced work programme. To reduce costs, Council could:</p> <ul style="list-style-type: none"> • Reduce the amount of grading of gravel roads. • Reduce the amount of yearly re-seal works. • Consider lowering the maintenance of ‘roads to nowhere’ that have few if any users. <p>Rates will still increase to meet the funding requirements, but the level of service will be lower.</p>

Estimated capital expenditure: \$2.08 million in 2024/2025
***Additional cost per ratepayer per annum (from 2025/2026):** \$1.31

Option 2	Inflation adjustment
	<p>This option would see Council’s work programme remain the same as in 2021 – 2024, but increase the funding to account for current inflation. Levels of service are likely to remain lower for the same reasons as in Option 1. However, Council will be able to deliver a greater quantity of work than in Option 1. It is still likely that a detailed review of the service levels will be necessary to achieve required outcomes.</p>

Estimated capital expenditure: \$2.75 million in 2024/2025
***Additional cost per ratepayer per annum (from 2025/2026):** \$1.73

Option 3**Do the minimum (service level review)**

Preferred option

Under this option the work programme is continuing to be reviewed to determine achievable levels of service relative to the funding available. This likely means that there will be a lower level of service for some parts of the roading network across the district. This means that some bridges at the end of useful life might be decommissioned and not replaced. Some minor roads may not be maintained for the full length of the road. Maintenance will be focussed on parts of the network that are more widely used.

Estimated capital expenditure: \$4.93 million in 2024/2025

***Additional cost per ratepayer per annum (from 2025/2026):** \$3.11

Option 4**Preserving our assets (balanced)**

With this option Council's maintenance, operations and renewals programme would maintain current levels of service, but at greater cost. Council would use an evidence-based programme with prioritised investment in asset condition, road safety outcomes, and resilience on the network. This sets an appropriate programme to ensure that the assets are maintained to the end of their expected useful life. This is particularly important for the bridges and structures, and pavement within the district.

Estimated capital expenditure: \$5.04 million in 2024/2025

***Additional cost per ratepayer per annum (from 2025/2026):** \$3.18

Option 5**Improving Level of Service (enhanced asset preservation)**

This option the same as option 4 but with further investment of \$400,000 into the capital improvement programme. This would allow Council to undertake investigation to identify and prioritise the response to climate change related issues and risks.

Estimated capital expenditure: \$6.09 million in 2024/2025

***Additional cost per ratepayer per annum (from 2025/2026):** \$3.84

**Impact on ratepayers is the future depreciation and this is based on the following:*

- *Assumption that the value of the assets will increase by at least the value of the capital expenditure.*
- *Using current average depreciation rate of 1.17%.*
- *Using current ratepayer base (impact will be reduced as the ratepayer base increases).*
- *Only depreciation on Council's cost is ratepayer funded (36% of the total asset cost).*

Note: Additional cost per annum is based only on capital costs and does not include operational costs associated with each option.

Ross Swimming Pool Upgrade



Ross Swimming Pool

Following an inspection of the Ross Swimming Pool steel structure by a structural engineer in October 2023, it was found to be in an extremely poor condition and in urgent need of replacement or repairs. The Council agreed to reallocate \$40,000 of the Three Waters Reform Better Off funding to undertake immediate repairs, allowing the Swimming Pool to remain open in the interim.

In its current state, the structure suffers from significant corrosion as a result of poor detailing and lack of maintenance. Minor repairs were done at the end of 2023 as a short-term solution until the Council and community decide on the long-term future for the pool structure.

In years 1 and 2 of the current draft Long Term Plan, Council has budgeted \$312,000 to complete the repairs to the steel structure. This will increase the value of pool and therefore subsequent depreciation rates which will be paid for by the Ross Community through their community rates.

What is the best option for the Ross community? See the options and impacts overleaf.

Make a submission to let us know what you want.

What are the options?

Option 1 Repair the pool structure

Preferred option

This option provides a long-term solution and certainty that the swimming pool would remain open for the community. Work would begin in 2024/2025 (year 1) and carry over into 2025/2026 (year 2) and consist of:

- Replacing eaves beams, girts and door head beams that have corroded to an extent that they have lost significant strength.
- Treat upper girt, eaves beams, portal columns, purlins, door posts, gable columns, external flashings, door hinges and other external steel that have surface corrosion by cleaning to remove corrosion and replacing the galvanised coating. This will reduce future maintenance issues.
- Realign the upper girts with the flanges facing downwards to mitigate potential future corrosion.
- Clearing vegetation to reduce moisture and prevent seepage between the cladding and concrete surface.

If Council goes ahead with this project, we will prioritise putting it forward for external funding assistance, such as a Lottery Community Facilities Grant.

Capital cost: \$312,000 (\$306,600 in 2025/2026)

Funded through Reserves.

Estimated additional rates in 2026/2027 for depreciation on valuation increase is **\$34.96** per rateable unit

Option 2 Do not budget to repair the pool structure

The repairs undertaken in 2023 have extended the lifespan of the current swimming pool structure for two years. Leaving the project out of the Annual Plan means that the community will have to decide what to do when the swimming pool structure gets to the end of its useful life.

Capital Cost: \$0

Effect on rates: nil future impact

Franz Josef / Waiau and Fox Glacier – Glacier Country Community Development Funding

Franz Josef and Fox Glacier are the only two townships in the Westland District that have dedicated funding for a development officer within their community. The purpose of the role is to support the local community's wellbeing and provide administration assistance to their respective Community Associations. Community Development Officers are overseen by their respective Community Associations and are responsible for managing the running of the community halls, running community events, assisting the community with funding applications and creating a sense of community in two of Westland's biggest towns.

These two roles are funded by the community through their Franz Josef and Fox Glacier community rates. In total \$65,000 is allocated each year, with a portion of this also being paid to the Glacier Country Tourism Group to fund advertising promotion of the Glacier Country. The remaining funding from the community rate is used to fund all or part of the transportation, stormwater, parks and reserves and township development fund activities.

Council is proposing to withdraw the \$65,000 of funding to Glacier Country Tourism and Community Development to reduce the rate burden on ratepayers in the Franz Josef and Fox Glacier rating districts. Funding for community rates should be used for the benefit of the whole community, not just a small number of ratepayers (the tourism rate only benefits a small number of ratepayers).

In the 2023/2024 year Council budgeted to receive community rate revenue of \$162,793 (incl. GST) from 329 Franz Josef ratepayers and \$125,370 (incl. GST) from 177 Fox Glacier ratepayers.

If you live in Franz Josef or Fox Glacier, do you want to continue funding Glacier Promotions Tourism Group and Community Development Officer roles through your community rates? See the options and impacts overleaf.

Make a submission to let us know what you want.



Community classes in Franz Josef

What are the options?

Option 1 Preferred option

Council ceases to rate for Glacier Country Tourism and Community Development roles

With this option, Council would withdraw the \$65,000 funding for Glacier Country Tourism Promotions, which would lower the community rate for all Franz Josef and Fox Glacier ratepayers. The community can then decide if they want to continue to receive the assistance of a Community Development Officer and how to fund the roles. Funding for tourism promotion would no longer be paid for by the community.

The impact on your rates is shown below.

Franz Josef		Rural	Rural-Residential	Residential	Commercial
	<i>Rateable units</i>	75	52	134	68
	<i>Community rate, each</i>	\$238	\$238	\$318	\$635
	<i>Revenue</i>	\$17,861	\$12,441	\$42,692	\$43,381
Total revenue (incl. GST)			\$116,374		

Fox Glacier		Rural	Rural-Residential	Residential	Commercial
	<i>Rateable units</i>	51	11	73	42
	<i>Community rate, each</i>	\$391	\$391	\$522	\$1,043
	<i>Revenue</i>	\$19,954	\$4,108	\$37,832	\$43,800
Total revenue (incl. GST)			\$105,694		

Option 2

Council continues to rate for Glacier Country Tourism and Community Development roles

With this option the community would continue to provide funding for Glacier Country Promotions through the community rates. This means that the community rates will include the \$65,000 (excl. GST) in funding.

The impact on your rates is shown below.

Franz Josef		Rural	Rural-Residential	Residential	Commercial
	<i>Rateable units</i>	75	52	134	68
	<i>Community rate, each</i>	\$340	\$340	\$453	\$907
	<i>\$ increase for Glacier Country Promotions per rateable unit</i>	\$102	\$102	\$136	\$272
	<i>Revenue</i>	\$25,502	\$17,763	\$60,955	\$61,938
Total revenue (incl. GST)			\$166,157		

Fox Glacier		Rural	Rural-Residential	Residential	Commercial
	<i>Rateable units</i>	51	11	73	42
	<i>Community rate, each</i>	\$484	\$484	\$645	\$1,290
	<i>\$ increase for Glacier Country Promotions per rateable unit</i>	\$92	\$92	\$123	\$246
	<i>Revenue</i>	\$24,668	\$5,079	\$46,768	\$54,146
Total revenue (incl. GST)			\$130,661		

Hokitika – Hokitika Area Promotions Rate

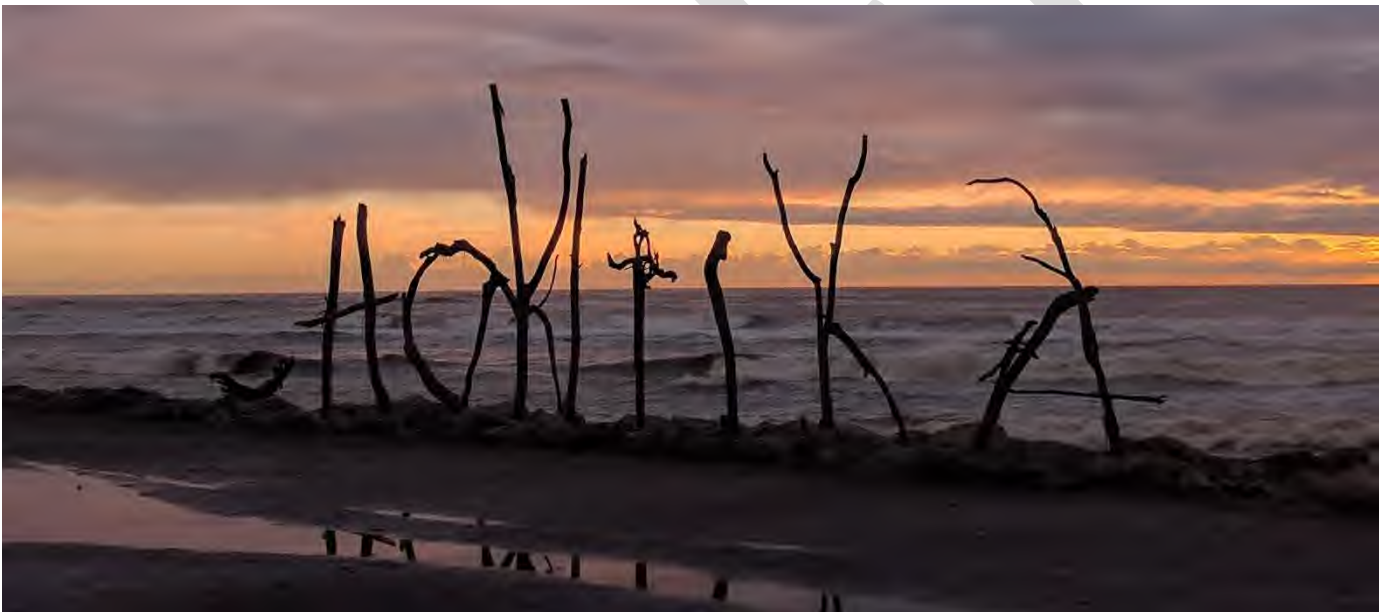
Commercial use properties in the Hokitika Community Rating Zone contribute towards the Destination Hokitika Grant through the Hokitika Area Promotions Rate. This rate is charged to every property registered as commercially rateable regardless of the commercial activity that they undertake. Council deducts 5% of the funds collected for administration of the grant.

Destination Hokitika is an Incorporated Society responsible for the destination marketing of Hokitika, New Zealand. Local businesses can join Destination Hokitika for a yearly fee. The website www.hokitika.org is run by Destination Hokitika, and provides visitor information for Hokitika township and surrounds, such as upcoming events, visitor accommodation, restaurants and cafes, and local itineraries.

The greatest direct beneficiaries of Destination Hokitika are businesses that cater to tourists in the wider Hokitika area.

In 2023 Council discussed ceasing the grant funding with Destination Hokitika, who agreed to plan an alternative method to collect revenue from commercial businesses. Collecting revenue on behalf of a community organisation and the associated administration is not an efficient use of Council's resources.

Council budgeted to rate 243 rateable units \$192 each for the Hokitika Area Promotions Rate in 2023/2024.



Hokitika beachfront sunset

If you pay commercial rates in Hokitika, do you want to continue funding the Hokitika Area Promotions Rate? See the options and impacts overleaf.

Make a submission to let us know what you want.

What are the options?

Option 1

Preferred option

Council ceases the Hokitika Area Promotions targeted rate

With this option, Council would stop collecting the funding for the Destination Hokitika Grant through the Hokitika Area Promotion rate. This would lower the targeted rates for all Hokitika area commercial ratepayers. As an incorporated society, Destination Hokitika would decide how best to administer collection of revenue from its members and other interested commercial businesses.

The impact on commercial properties in the Hokitika Community Rating Zone is a **reduction in rates of \$192pa for each rating unit.**

Option 2

Council continues to collect the Hokitika Area Promotions targeted rate

With this option, Council would continue collecting the funding for the Destination Hokitika Grant through the Hokitika Area Promotion rate. Council would also continue to deduct 5% for administration.

The impact on commercial properties in the Hokitika Community Rating Zone is to **re-instate the additional rate of \$192pa for each rating unit.**

Major Projects 2024/2025

This table is a summary of some of the major capital projects planned for the 2024/2025 year, and what we have budgeted to spend.

Major projects	2024/2025
Drinking Water Franz Josef watermains / points replacement	\$240k
Drinking Water Kumara reservoir replacement	\$340k
Drinking Water Hokitika - Town Belt North to West Drive - upgrade line	\$800k
Drinking Water Ross - Watermain and fittings upgrade	\$170k
Stormwater Hokitika pump station component upgrade	\$260k
Stormwater Livingstone St pump upgrade	\$1m
Wastewater Hokitika Wastewater Treatment Plant Treatment and Disposal	\$3m
Sealed road resurfacing	\$1.5m
Structures component replacement	\$1.75m
Haast-Jackson Bay Road bridge and structures renewals	\$1.5m
Local road improvements - Low cost/low risk	\$700k
Haast-Jackson Bay Road - Local road improvements - Low cost/low risk	\$2m
Council HQ Earthquake strengthening & refurbishment	\$280k
Carnegie Building fitout	\$600k
Racecourse Dev- Event Zone & Medium density Housing	\$512k
Hokitika Pool Heating, roofing & flooring	\$600k
West Coast Wilderness Trail Totara Bridge Stage 2 & 3	\$750k

Note: The table shows selected projects. External risks associated with the work programme such as consenting, stakeholder engagement or design issues and construction sector capacity may impact those key projects and therefore, the timing for delivery may expand beyond the planned timeframe.

What else is going on?

Review of Council Controlled Organisations

In December 2022, Elected Members commissioned PwC to undertake a review of Westland District Council's (Council) Council Controlled Organisations (CCOs).

The purpose of the review was to understand the performance of Westland Holdings Ltd (WHL) and its two subsidiary CCOs – Westroads Ltd (WRL) and Destination Westland Ltd (DWL), and to consider whether the operating structure delivers optimal financial and community outcomes, or whether alternative structures would provide better delivery.

Based on the review, Council directed that their preference is to amalgamate WHL with DWL by 30 June 2024. If the amalgamation goes ahead the CCOs will be overseen by a Council Subcommittee made up of the full Council and chaired by an independent member of the committee. Council will need to work with the Local Government Funding Agency to make appropriate arrangements for the debt currently held by WHL.

Council also directed that DWL should focus on commercial activities and that management of non-commercial activities should return to Council operations.

The outcome of the review is that the preferred CCO structure and activity management will be:

Westroads Ltd	Destination Westland Ltd	Westland District Council
<ul style="list-style-type: none"> Continues its business structure. Management of the maintenance on the West Coast Wilderness Trail. 	<ul style="list-style-type: none"> Elderly Housing. Property management. Aviation – Hokitika airport and Franz Josef heliport. Hokitika Wildfoods and events. 	<ul style="list-style-type: none"> Management of Hokitika site and AA services. Management of Hokitika Swimming Pool. Management of Jackson Bay Wharf.

Hokitika Racecourse – Recreational Development

The Council is currently considering a potential housing development on the former Hokitika Racecourse. There has been considerable engagement and due consideration at Council on the future use of the site in its entirety.



In 2022 the Council was successful in its application to the [Infrastructure Acceleration Fund](#). The current Elected Members reviewed the application and the intent of the development and [agreed](#) to enter into a process to ascertain private sector development interest in the residential zoned aspect of the proposed development, alongside community engagement held in 2023.

Within the agreement with the Government to fund enabling infrastructure there is a stipulation that all proceeds from the sale of land would be utilised to create a Recreational Development on the Rural zoned portion of the land.

The Council established a Working Group to advise the Council on potential development of the residential components and the early concept planning for the recreational development, further information can be found [here](#).

In the draft Annual Plan, Council has budgeted \$512,000 to continue Master Planning the Recreational Development alongside community engagement and aligning with potential private sector partners on the proposed residential development.

Currently there is a draft concept master plan for the Recreation Development, this is an opportunity for the community to tell us what is important to them if a development were to go ahead. Current potential uses of the recreation portion of the development include:

- **Recreation area:** an amphitheatre-like multi-use arena suitable for sports, recreation and equestrian.
- **Village Green, Westland Boys Brigade Hall and A&P show area.** It is important that a great connection is established with the Village Green at the edge of the housing development and the Boys Brigade Hall, and to ensure there is space available for holding the Westland A & P show.
- **Ensuring access for the RDA:** From current facility to the recreation development and potentially to a broader network of trails.
- **Dog Park Opportunities:** Expand on the current usage of the site by local dog owners, and provide purpose built facilities (e.g. agility training)
- **Walking, Cycling and Bridle trails:** Creating and enhancing connections to existing trail networks and Hokitika Central
- **Harper Reserve:** Ensuring an asset is created for the school community and the development area.
- **Protecting and enhancing adjacent reserves and water bodies:** Providing a greenbelt which links with current natural environment

It is important to remember that the creation of a Recreational Development area will be funded by the potential proceeds from the sale of any of the lots for housing development from the residential zoned portion of the site.

The West Coast Wilderness Trail

As part of Council’s wider group of non-core activities, it owns and manages the West Coast Wilderness Trail (WCWT). The WCWT is very popular with bicycle riders and other users. It provides a valuable economic return for many of the food and accommodation, and rider transportation businesses along the route, as well as the wider community. Approximately 15,000 visiting riders used the trail in 2023, with an overall economic benefit from the trail of over \$50 million.*

Over the next year, Council intends to invest \$830,660 in capital works along the trail.

WCWT projects	2024/2025
Minor infrastructure & safety enhancements	\$71k
Totara Bridge Stage 2 & 3	\$750k
Taramakau section resurfacing	\$10k

\$260,800 has been budgeted for operational expenditure in the 2024/2025 year. This expenditure covers Council’s grant of \$60,000 to the West Coast Wilderness Trail Trust to promote and manage the trail, interest expenses for capital projects, repairs and maintenance, and funded depreciation^.

Council funds the WCWT activity and projects through the Tourism Rate. This is paid by every ratepayer in the district based on the property’s differential, with Commercial ratepayers paying based on the capital value of the property.

Ngā Haerenga, the New Zealand Cycle Trails Fund (NZCT) contributes \$45,000 per year for maintenance, development and promotion, and may provide funding towards reopening and repairing sections of trail that have been damaged by extreme events such as storm damage, fire, flooding or single event vandalism. Council can also apply for co-share contestable funding of up to \$300,000 for minor capital enhancements and maintenance each year. Council has received \$5.3m funding (including original construction funding) since 2010.

The limited funding available through NZCT leaves Westland ratepayers carrying the burden of the ongoing capital project and operational costs of the activity. Council cannot impose any charges on users and relies on donations from users and voluntary contributions from cycle tour businesses bringing customers to the trail.

*West Coast Wilderness Trail Economic assessment and performance preliminary report for 2023: <https://bit.ly/42zLK65>; visiting riders figure includes a deduction of 20% for local riders.

^Only 13% of the depreciation is funded because the rest of the trail is land that does not require ongoing maintenance.

Hokitika Public Toilets



New Cass Square Toilet block

Council has been investing in more public toilets throughout the district over the past few years. Hokitika now has new and modern facilities available at Cass Square and Sunset Point. This leaves some of the facilities outdated and costly to maintain. In this Annual Plan, the Council has decided that the public toilets in Cass Square Pavilion, the Greypower building and at Drummond Hall will be closed. This will reduce the operational costs of cleaning, maintenance and utilities, and major capital maintenance costs.

For special events at Cass Square, such as Children’s Day and the Wildfoods Festival, the Pavilion toilets will be open to the public.

Grant funding changes

Council undertook a thorough review of its grant funding to ensure that it is supporting the community appropriately.

Funding that will continue in 2024/2025:

Driftwood and Sand	\$5,000
Waitangi Day	\$5,000
Anzac Day (Hokitika RSA)	\$2,500
Matariki – if local iwi choose to apply for the funding	\$5,000
Supporting local events	\$2,500

Council has withdrawn the following funding in 2024/2025:

Regent Theatre This funding was provisional on receipt of a full business case. Theatre committee can reapply for funding upon provision of the business case.	\$62,000
Glacier Promotions Promotion Grant Additional funding from the district-wide Tourism Rate used for administration purposes following the Covid-19 pandemic.	\$13,000
Hokitika Area Promotions Rate Rate collected on behalf of Destination Hokitika from Commercially rated properties in the Hokitika Rating District. Destination Hokitika to undertake funding collection themselves.	\$39,000
Hokitika Lions Club Funding to open Lazar Park Toilets to the public (these toilets are not owned by Council). The conditions for receipt of the funding have not been fulfilled.	\$18,500
Hokitika Lions Club Funding for fencing project has not been claimed and has not been carried over into the 2024/2025 year.	\$20,000
Christmas Lights funding Contestable funding for Christmas lights throughout the district.	\$10,000

Future for Local Government Reform

On 23 April 2021 the Minister for Local Government announced a Ministerial Inquiry into the Future for Local Government had been established.

The overall purpose of the review was to *“identify how our system of local democracy needs to evolve over the next 30 years, to improve the well-being of New Zealand communities and the environment, and actively embody the treaty partnership”*.

The Government is not pre-committed to the implementation of the Review’s findings. Substantial consideration of the Review’s final report will be undertaken as part of the work of the next Administration.

The West Coast Councils consider it unlikely that any recommendations from the final report could take effect before 1 July 2024 – particularly for changes to roles or functions. Any changes that are made will be incorporated in the 2027 - 2037 Long-term Plan.

Aligned services

Over the course of this Annual Plan, we will focus on looking forward - the aspirations of the four Councils is to deliver aligned services, including how to effectively conclude Te Tai o Poutini Plan (the combined district plan for the West Coast) process.

There are opportunities for greater alignment of services across the region, and these will be incorporated as we continue to develop our next Long Term Plans to be consulted in 2025.

Existing aligned services

Te Tai o Poutini Plan (combined district plan for the West Coast)

The Regional Council is now responsible for preparing, approving and reviewing the combined district plan for the West Coast. This process is guided by Te Tai o Poutini Plan Committee – a Joint Committee made up of representatives from the four Councils, Poutini Ngāi Tahu and an independent chair. The combined District Plan will provide for a consistent approach to planning matters across the region.

Regional Transport Planning

In partnership with the District Councils, Waka Kotahi NZ Transport Agency and Department of Conservation, the Regional Council leads the development of the Regional Land Transport Plan which applies a strategic lens to the region’s current and future transport needs and provides for integrated decision making between various organisations needed to deliver effective transport networks.

The District Councils are now in their second cycle of Asset Management Planning for their roading services. Combined advocacy continues in regards to the future management of Special Purpose Roads in the Buller and Westland Districts.

Civil Defence Emergency Management

Civil Defence Emergency Management (CDEM) has been operating as a shared service since 2017 delivering emergency management outcomes for risk reduction, readiness, response and recovery. The Regional Council acts as the administering authority and rates for the delivery of this activity. Emergency Management Officers work within each of the District Councils to ensure strong connectivity between emergency management functions and district council business.

Franz Josef Area Strategy

In August 2023, the West Coast Regional Council (WCRC) engaged independent experts in hydrology, engineering and river modelling to develop a ten-year Management Strategy (the Strategy) for the Waiho River. A community meeting was held in Franz Josef on 11 October for the Technical Advisory Group to present their findings and future considerations for managing the Waiho River and to seek feedback from local residents.

The proposed river management strategy sees the stopbanks on the South side of the river removed in the long-term. If the river is not released to the south, the risk of a north stopbank failure impacting the town and State Highway will increase with time.

Community feedback conducted by the WCRC indicated 70% support of the proposed River Management Strategy provided that there were appropriate arrangements made for the buyout of property.

The proposed Strategy will impact three of Westland District Council's significant assets: the closed landfill southwest of Canavan's Knob, the Waiho Flat Road and the Franz Josef Wastewater Treatment Plant (WWTP). Council believes that due to the complexity of the programme and the need for consensus across all parties the Strategy will take longer than 10 years to achieve.

In this Annual Plan year the Council will begin to consider the impact and long-term costs of the Strategy on our significant assets and review any budget requirements for the Long Term Plan in 2025. Minor works have recently been completed to the West of the WWTP to prevent inundation from the Tartare Stream after the Franz Josef River changed course following heavy rain in January 2024.

Significance and Engagement Policy

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 2023, Council reviewed and amended the Policy and included climate change as a consideration of the significance of a decision. You can read the full policy on our website [here](#).

Fees and Charges

While a large portion of our funding comes from rates, some funding comes from fees and charges for specific services. Every year these are reviewed to ensure they still meet the cost of providing the services they help to fund.

There are a range of fee increases proposed across our activities to ensure these services are not being subsidised unfairly by ratepayers who do not use these services.

Where there have been increases, these are around 6%, which is the amount of inflation at the time of review. Activities where some of the increases are greater than 6% include building control and sports fields. In some cases, the fees and charges have not changed as they are already set at the correct level. For more detail see the fees and charges on our website: www.westlanddc.govt.nz/AP24-25.

How this plan impacts on your rates

The tables below shows what the indicative rates are likely to be if Council adopts all of the proposals and the preferred options outlined in this document.

Ratepayers in areas that are charged rates for water, wastewater and stormwater (Hokitika Community Rate) should refer to pp 6 and 8 for information on the increase in your indicative rates.

Rural

Excludes GST			UAGC @ 17.5%			
Area	Capital Valuation 30 June 2023 \$	Capital Value September 2024 \$	2023/24 Rates \$	Draft 2024/2025 Rates \$	Var \$	%age Var
Bruce Bay	785,500	947,000	2,547.49	2,519.00	(28.49)	-1.12%
Fox Glacier	800,000	830,000	2,637.19	2,826.00	188.81	7.16%
Franz Josef	420,000	590,000	1,754.38	1,698.00	(56.38)	-3.21%
Haast	80,000	90,000	972.52	986.00	13.48	1.39%
Hari Hari	2,070,000	2,360,000	5,991.09	5,573.00	(418.09)	-6.98%
Hokitika	460,000	770,000	1,222.16	1,639.00	416.84	34.11%
Kumara	12,000	43,000	928.87	967.00	38.13	4.10%
Ross	277,000	351,000	1,831.06	1,873.00	41.94	2.29%
Whataroa	1,050,000	955,000	3,248.11	2,569.00	(679.11)	-20.91%

Rural residential

Excludes GST			UAGC @ 17.5%			
Area	Capital Valuation 30 June 2023 \$	Capital Value September 2024 \$	2023/24 Rates \$	Draft 2024/2025 Rates \$	Var \$	%age Var
Bruce Bay	830,000	1,060,000	2,141.38	2,236.00	94.62	4.42%
Fox Glacier	86,000	86,000	1,196.65	1,133.00	(63.65)	-5.32%
Franz Josef	300,000	450,000	1,446.02	1,504.00	57.98	4.01%
Haast	290,000	420,000	1,276.08	1,394.00	117.92	9.24%
Hari Hari	196,000	285,000	1,130.51	1,191.00	60.49	5.35%
Hokitika	510,000	690,000	2,298.06	2,551.00	252.94	11.01%
Kumara	182,000	317,000	1,462.20	1,573.00	110.80	7.58%
Ross	750,000	900,000	2,941.94	2,935.00	(6.94)	-0.24%
Whataroa	320,000	405,000	1,361.14	1,429.00	67.86	4.99%

Residential

Excludes GST			UAGC @ 17.5%			
Area	Capital Valuation 30 June 2023 \$	Capital Value September 2024 \$	2023/24 Rates \$	Draft 2024/2025 Rates \$	Var \$	%age Var
Fox Glacier	640,000	640,000	3,155.54	3,421.00	265.46	8.41%
Franz Josef	420,000	630,000	2,462.34	3,226.00	763.66	31.01%
Haast	225,000	385,000	1,735.76	2,635.00	899.24	51.81%
Hari Hari	130,000	175,000	1,276.65	1,617.00	340.35	26.66%
Hokitika	390,000	520,000	2,959.15	3,891.00	931.85	31.49%
Kumara	155,000	240,000	1,748.60	2,239.00	490.40	28.05%
Ross	210,000	320,000	2,133.73	2,691.00	557.27	26.12%
Whataroa	90,000	90,000	1,253.36	1,701.00	447.64	35.71%

Commercial

Excludes GST			UAGC @ 17.5%			
Area	Capital Valuation 30 June 2023 \$	Capital Value September 2024 \$	2023/24 Rates \$	Draft 2024/2025 Rates \$	Var \$	%age Var
Bruce Bay	385,000	520,000	3,327.62	3,428.00	100.38	3.02%
Fox Glacier	670,000	1,000,000	6,102.18	7,658.00	1,555.82	25.50%
Franz Josef	960,000	1,050,000	7,781.07	8,838.00	1,056.93	13.58%
Haast	1,290,000	1,450,000	8,555.21	7,655.00	(900.21)	-10.52%
Hari Hari	250,000	610,000	3,123.96	4,951.00	1,827.04	58.48%
Hokitika	470,000	650,000	6,633.99	8,825.00	2,191.01	33.03%
Kumara	170,000	245,000	3,093.34	3,947.00	853.66	27.60%
Ross	910,000	1,430,000	6,582.47	8,205.00	1,622.53	24.65%
Whataroa	235,000	345,000	2,688.34	2,884.00	195.66	7.28%


Information on your property's proposed rates for 2024/2025 will be available in the Council's Rating Information Database (RID) online at: <https://www.westlanddc.govt.nz/do-it-online/search-databases/look-up-property-records/> during the month of May.

Have your say


Time to have your say. This is your chance to tell us what you think about the proposed Annual Plan.

Ways to have your say


We want feedback from as many people as possible in our community. Please give us your views through whatever channel is easiest for you, here are the options...




Visit our website www.westlanddc.govt.nz/AP24-25-submit/ and fill out the submission form.



Complete the feedback form at the end of the booklet and send it back to us.



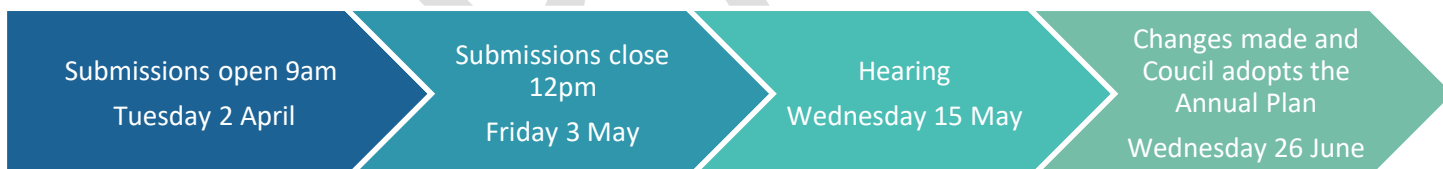
Email your views to consult@westlanddc.govt.nz



Have a chat with a local Councillor

Timeline

At the end of the consultation period, we will be holding hearings so that you can speak about your submission.



Talk to the decision makers – your elected representatives

How to contact one of your elected representatives.

Helen Lash Mayor	027 242 7484 mayor.lash@westlanddc.govt.nz	Donna Baird Hokitika Ward	027 567 7139 cr.baird@westlanddc.govt.nz
Jane Neale Northern Ward	021 027 18810, 03 755 8069 cr.neale@westlanddc.govt.nz	Steven Gillett Hokitika Ward	021 755 246 cr.Gillett@westlanddc.govt.nz
Reilly Burden Northern Ward	027 824 1048 cr.burden@westlanddc.govt.nz	Paul Davidson Hokitika Ward	021 081 55642; 03 755 6513 cr.davidson@westlanddc.govt.nz
Patrick Phelps Northern Ward	21 238 6846 cr.phelps@westlanddc.govt.nz	Ashley Cassin Deputy Mayor & Southern Ward	027 339 1214 cr.cassin@westlanddc.govt.nz
		Brian Manera Southern Ward	03 753 3325 cr.manera@westlanddc.govt.nz

Share your Feedback – Annual Plan 2024/2025

Submissions close 12pm Friday 3 May 2024 (no late submissions will be accepted)

Submissions hearing Wednesday 15 May 2024

We would like to know your thoughts on the proposals in the Draft Annual Plan 2024/2025.

Please **scan and email** this form to the Council. **Email:** 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 _____

Telephone _____ Township* _____

I would like to speak to Council about my submission At the meeting in the Council Chambers

Through a remote option (Zoom link or telephone)

I do not wish to speak to my submission

**Required*

Council Headquarters

Option 1: Strengthen and refurbish the Pakiwaitara building for use as Council offices.

Option 2: Strengthen and refurbish the current location.

Option 3: New build at the airport.

Please provide any comments:

More pages can be attached if necessary.

Land Transport levels of service

- Option 1:** Status quo.
- Option 2:** Inflation adjustment
- Option 3:** Do the minimum (service level review)
- Option 4:** Preserving our assets (balanced)
- Option 5:** Improving Level of Service (enhanced asset preservation)

Please provide any comments:

More pages can be attached if necessary.

Ross Swimming Pool upgrade

- Option 1:** Repair the pool structure.
- Option 2:** Do not budget to repair the pool structure.

Please provide any comments:

More pages can be attached if necessary.

Franz Josef/Waiiau and Fox Glacier – Glacier Country Community Development Funding

- Option 1:** Council ceases to rate for Glacier Country Tourism and Community Development roles.
- Option 2:** Council continues to rate for Glacier Country Tourism and Community Development roles.

Please provide any comments:

More pages can be attached if necessary.

Hokitika – Hokitika Area Promotions Rate

- Option 1:** Council ceases the Hokitika Area Promotions targeted rate.
- Option 2:** Council continues to collect the Hokitika Area Promotions targeted rate.

Please provide any comments:

More pages can be attached if necessary.

Do you have any feedback on other matters in the Draft Annual Plan 2024/2025?

More pages can be attached if necessary.

Report to Council



DATE: 28 March 2024
TO: Mayor and Councillors
FROM: Group Manager, Corporate Services and Risk Assurance

Streamlined consultation proposal for the Amalgamation of Westland Holdings Ltd and Destination Westland Ltd

1. Summary

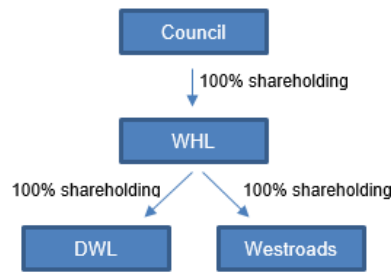
- 1.1. The purpose of this report is to obtain Council approval to carry out a streamlined consultation process for the amalgamation of Westland Holdings Ltd and Destination Westland Ltd.
- 1.2. This issue arises from Elected Members appetite for a CCO review and a more streamlined and cost efficient group structure.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2021, which are set out in the Long Term Plan 2021 - 2031. Refer page 2 of the agenda.
- 1.4. This report concludes by recommending that Council approve in principle to adopt a streamlined consultation process for the amalgamation proposal.

2. Background

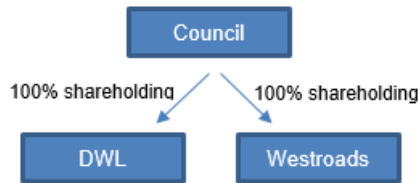
- 2.1. The reason the report has come before the Council is due to the advice by PwC on the amalgamation of three council-controlled organisations (CCO), namely Westland Holdings Limited (WHL), Destination Westland Limited (DWL) and Westroads Limited (WRL).

3. Current Situation

- 3.1. The current situation is that Council currently owns WHL. WHL currently owns DWL and WRL.
- 3.2. Under Council's proposal;
 - 3.2.1. WHL will distribute the shares that it holds in WRL to Council, this means that Council will directly hold 100 per cent of the shares in WRL; and
 - 3.2.2. WHL and DWL will merge and continue as DWL, this will mean that Council will directly hold 100 per cent of the shares in DWL.
- 3.3. The current structure operates as follows;



3.4. Under the proposed structure;



3.5. Following recommendations from Council’s advisors PwC, the proposed structure will reduce compliance and administration costs, and will give more transparency to the CCO operations.

3.6. To implement this structure, Council will become a direct 100 per cent shareholder in both DWL and WRL (its current ownership is indirect via its 100 shareholding in WHL). The amalgamation would be a short form amalgamation with resolutions from both boards to enact the amalgamation.

3.7. As a result Council will need to undertake public consultation before it can implement the structure.

3.8. The amalgamation will require Council to take on \$6 million in lending provided by the Local Government Funding Agency (LGFA) that is on-lent to DWL and WRL. Because WDC will similarly on-lend this money to the two CCO’s, the proposal is fiscally neutral to Council. Council borrowing and on-lending will reduce the cost of audit and administration fees that are required when borrowing from the LGFA.

3.9. Section 56 of the Local Government Act 2002 requires a local authority to undertake consultation in accordance with section 82 before it may establish or become a shareholder in a CCO. Council has received advice that it would be prudent to consult in this case, because it is becoming a direct shareholder in the two CCO’s.

3.10. Council’s advisors PwC have commissioned advice from Dentons about the nature and scope of the consultation required under the Local Government Act. In summary, the advice from Dentons is that;

3.10.1. For the reasons noted above, consultation is required to implement the proposal.

3.10.2. Because the proposal is straightforward and is not ‘highly significant’ (as defined in WDC’s Significance and Engagement Policy) the consultation can be relatively light handed and short.

3.11. Dentons have been instructed to prepare a consultation document attached as **Appendix 1**. The recommendation is that there is a two-week consultation period commencing on 28 March 2024 at 4.00 p.m. and concluding on 11 April 2024 at 4.00 p.m.

4. Options

4.1. Option 1: That Council approve in principle to adopt a streamlined consultation process for the amalgamation proposal, and approves a two week consultation period.

4.2. Option 2: That Council does not approve in principle to adopt a streamlined consultation process for the amalgamation proposal.

5. Risk Analysis

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

5.1.1.reputational risk due to Elected Members carrying out a CCO review and not following through with the expectations of the community.

6. Health and Safety

6.1. Health and Safety has been considered and no items have been identified in receiving this report.

7. Significance and Engagement

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

7.1.1. A streamlined consultation process for Public consultation is considered prudent.

8. Assessment of Options (including Financial Considerations)

8.1. Option 1 – Elected Members have carried out a review of the CCO's, the proposed option of amalgamation of WHL into DWL allows for a streamlined approach for the group reducing compliance and administration costs.

As direct shareholders of the CCO's, Council will have more transparency over the operations of the CCO's and have more direct control.

8.1.1.The following financial implications have been identified. Legal costs for the amalgamation process and restructure of the LGFA debt.

8.1.2.The costs are budgeted under legal costs.

8.2. Option 2 - Doing nothing does not meet the expectations of the Westland District Community.

9. Preferred Option(s) and Reasons

9.1. The preferred option is Option 1, that Council approves in principle to adopt a streamlined consultation process for the amalgamation proposal, and approves a two week consultation period.

9.2. The reason that Option 1 has been identified as the preferred option is that it allows the Westland Community the opportunity to give feedback on the proposed amalgamation of WHL and DWL, to reduce compliance and administration costs.

10. Recommendation(s)

10.1. That the report be received.

10.2. Approve in principle to adopt a streamlined consultation process for the amalgamation process.

Lesley Crichton

Group Manager, Corporate Services and Risk Assurance

Appendix 1: Amalgamation of Westland Holdings and Destination Westland Consultation document

CONSULTATION ON THE PROPOSAL TO AMALGAMATE WESTLAND HOLDINGS LTD (WHL) AND DESTINATION WESTLAND LTD (DWL)

Under s 82 of the Local Government Act

Submissions open: Thursday 28 March 2024, 4pm

Submissions close: Thursday 11 April 2024, 4pm

Council decision: Thursday 18 April 2024 at the Ordinary Council meeting

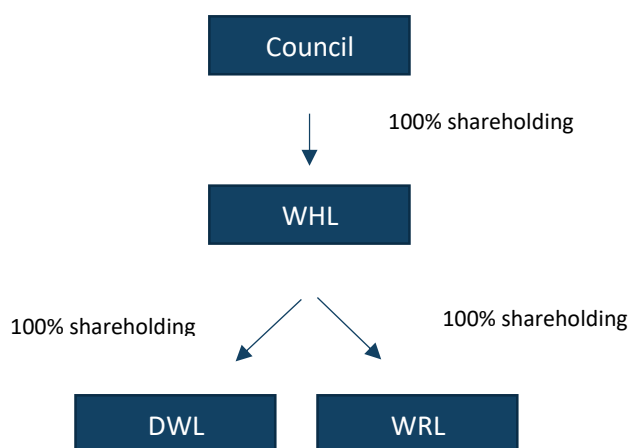
What is being proposed?

The Westland District Council (**Council**) is asking the community for feedback on its proposal to restructure the ownership of three council-controlled organisations (**CCO**), namely Westland Holdings Limited (**WHL**), Destination Westland Limited (**DWL**) and Westroads Limited (**WRL**).

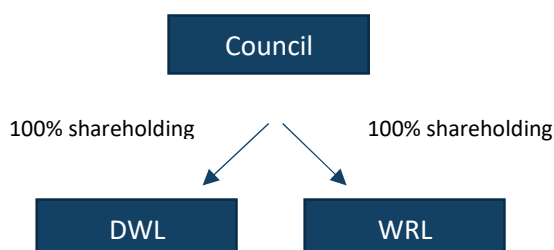
Council currently owns WHL. WHL currently owns DWL and WRL. Under Council's proposal:

- WHL will distribute the shares that it holds in WRL to Council (this will mean that Council will directly hold 100 per cent of the shares in WRL); and
- WHL and DWL will merge and continue as DWL (this will mean that Council will directly hold 100 per cent of the shares in DWL).

THE CURRENT STRUCTURE OPERATES AS FOLLOWS:



UNDER THE PROPOSED STRUCTURE:



There is no change in the ultimate ownership of each of the CCOs under this proposal. The reason for the restructure is to simplify the CCO ownership structure and reduce compliance costs for Council and save money in the future.

This consultation document asks for feedback on the proposed amalgamation of WHL into DWL.

What is a CCO?

A council-controlled organisation is a structure that is owned or controlled, directly or indirectly by one or more local authority. CCOs can be a company, partnership or trust arrangement, union of interest, co-operation, joint venture or other similar arrangement.

In this case, the CCOs (WHL, DWL and WRL) are companies. Council will still own DWL and WRL. However, WHL as an entity will cease to exist.

What is the purpose of the proposal?

The Council has received advice on the proposed amalgamation to simplify the ownership structure of the CCOs it owns, which will reduce compliance and costs for Council and save money for ratepayers. Council will retain (and now hold directly) 100% ownership of shares in both DWL and WRL.

Benefits for Council and the District

The structure proposed by Council's advisors means that Council does not have to allocate funding to day-to-day running costs of WHL, such as Board member fees and administration expenses.

WHL currently hold a \$6 million loan with the Local Government Funding Agency (LGFA) that is on-lent to DWL and WRL for pensioner housing and plant and equipment. The amalgamation will require this loan to be transferred to Council, which will similarly on-lend the full amount of the loan to DWL and WRL. Because of this, the proposal is fiscally neutral to Council and it will have no impact on Council's rates. Advice from LGFA is that this will have no impact on Council's debt limits, however it will reduce the cost of audit compliance and disbursements.

The amalgamation of WHL into DWL will allow Council to focus on core business of DWL and WRL under the simplified ownership structure. Council will have more oversight into the CCO's through a committee of Council with full council membership and an independent chair. Finally, WHL does not have a public presence in the district and there will be no change to services provided by Council as a result of the proposal.

Why are we consulting?

Council is consulting with anyone who may be affected or otherwise have an interest in the proposed amalgamation. Council encourages anyone who may have views on the proposal to share them during this consultation process.

More information about how to provide feedback is included in the feedback form **attached** to this document.

Council is required to consult with interested or affected persons in accordance with sections 56 and 82 of the Local Government Act 2002, its Significance and Engagement Policy and its Consultation Policy.

KEY DATES

SUBMISSIONS OPEN: 4pm, Thursday 28 March 2024

SUBMISSIONS CLOSE: 4pm, Thursday 11 April 2024

COUNCIL DECISION: Thursday 18 April 2024 at the Ordinary Council meeting.

SHARE YOUR FEEDBACK

ONLINE *You can make your submission online. Go to:*

IN WRITING *You can make a written submission by post or by sending us an email, or complete, scan and email the printable submission form.*

POST: *Westland District Council, 36 Weld Street, Hokitika 7811*

EMAIL: *Consult@westlanddc.govt.nz*

OVER THE PHONE: *If using the online submission form or sending an email is not an option, you can make a submission by calling Council on the number below.*

PHONE: *03 756 9010*

FREEPHONE: *0800 474 834*

Please note, submissions will be publicly available on the council's website, through inclusion in council agendas, and/or retrievable by request under the Local Government Official Information and Meetings Act 1987. Contact details will be redacted under the Privacy Act 1993.

Share your Feedback – Amalgamation of Westland Holdings Ltd and Destination Westland Ltd

Submissions close: 4pm, Thursday 11 April 2024

We welcome your feedback on the proposed restructuring of Westland Holdings Limited (**WHL**), Destination Westland Limited (**DWL**) and Westroads Limited (**WRL**) (together, **Council CCOs**).

Full details of the proposed changes are set out in the Consultation Document.

Please **scan and email** this form to the Council. **Email:** 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* _____

Phone number _____ Area of the district _____

*Required

Do you support the restructuring of the Council CCOs as set out in the Consultation Document?

Yes

No

Please provide reasoning for your response:

Do you have any comments about the proposed restructuring of the Council CCOs?

Do you have any other comments you would like to make about the information in this Consultation Document?

Yes

No

If yes, what are these comments?

If you wish the whole or any part of your submission or objection to be kept confidential, you must tell us and outline the reasons.

Do you wish for the whole, or any part of your submission to be kept confidential?

Yes

No

If yes, please tell us which part or parts of your submission you would like to remain confidential and why:

The personal information collected from you in your submission is held securely by Westland District Council.

We use this information to develop and advise on the proposed restructuring of Council CCOs (including compiling statistical information) and to contact you about the outcome of the process.

Please note, submissions will be publicly available on the council's website, through inclusion in council agendas, and/or retrievable by request under the Local Government Official Information and Meetings Act 1987. Personal contact details will be redacted under the Privacy Act 2020 or by request.

Report to Council



DATE: 28 March 2024
TO: Mayor and Councillors
FROM: Transportation Manager

Approval to apply for extension to current Procurement Strategy

1. Summary

- 1.1. The purpose of this report is to seek Council approval to apply for an extension the Councils currently NZTA approved Procurement Strategy.
- 1.2. The present Procurement Strategy is due to expire on 31 May 2024, these documents have to be reviewed and resubmitted for approval by NZTA every 3 years but there is also the ability to apply for an extension if there is a need to do so. In line with the ongoing West Coast Councils Rooding Collaboration the alignment of and creation of a single West Coast Procurement Strategy has been identified as a worthwhile course of action as it has the potential to create significant cost savings through the power of joint procurement for maintenance, renewal and capital projects.
- 1.3. The Grey District Council Procurement Strategy Expires in 2025 and the Buller District Council Procurement Strategy expires in 2026. It is the intention to apply for an extension to the WDC Procurement Strategy to match the expiry date of the Grey Procurement Strategy (July 2025). In doing this Buller will shorten their Present procurement Strategy to also align with Grey and Westland.
- 1.4. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2021, which are set out in the Long Term Plan 2021 - 31. Refer page 2 of the agenda.
- 1.5. This report concludes by recommending that Council authorises the Transportation Manager to formally apply to NZTA for an extension to the present WDC Procurement Strategy so that the new expiry date will be July 2025.

2. Background

- 2.1. The reason the report has come before the Council is due to the present Procurement Strategy expiring in May 2024 (appendix 1).
- 2.2. NZTA did send a reminder letter to Council in November 2023 of this expiry (appendix 2). Subsequent conversations have been had with NZTA officers to identify the process to follow to obtain an extension to this expiry date.
- 2.3. The purpose of a procurement strategy is to identify to our investment partners (NZTA) and the contracting industry, the significant project work planned over the duration of the strategy and how it is intended that

Council will go to the market with this work. As a condition of investment, NZTA require that RCA's hold a current approved Procurement Strategy at all times.

- 2.4. Council does not have to combine procurement strategies with Buller and Grey but in aligning the 3 it provides for the opportunity to do so. It also provides for an opportunity to share the resources of a single consultant to jointly develop 1 joint or 3 individual strategies. This would provide a cost savings to all 3 Councils. Previous costs to develop 1 individual Procurement Strategy was \$46,950.

3. Current Situation

- 3.1. The current situation is the Procurement Strategy expires in May 2024 and there is not a replacement to this strategy available to apply for renewal of.
- 3.2. Renewal of the existing strategy is not as simple as refreshing the procurement objectives it also requires a significant review to incorporate the NZTA Waka Kotahi "Framework for Delivering Broader Outcomes" attached as appendix 3. There is also a requirement to consider how health and safety will be considered for each procurement decision, i.e. at a micro level, not just at a macro level. These are new requirements and the full implications of these are not yet known and as such will require a significant body of work to develop and incorporate into the new procurement strategy.

4. Options

- 4.1. Option 1: To apply to NZTA for an extension of the existing procurement strategy until July 2025 to allow for time to develop a new strategy in conjunction with Buller and Grey Councils in order to save costs and align all 3 Councils Procurement strategies into a single West Coast Councils Procurement Strategy.
- 4.2. Option 2: To apply to NZTA for an extension of the existing procurement strategy until July 2025 to allow for time to develop a new single WDC procurement strategy but in conjunction with Buller and Grey Councils in order to save costs but retain independent procurement strategies.

5. Risk Analysis

- 5.1. Risk has been considered and the following risks have been identified. NZTA may decide not to grant the extension and in that case there would still be a requirement to provide a new/ revised Procurement strategy for consideration and approval. Knowing NZTA process and previous RCA's experiences with requesting extensions a refusal is extremely unlikely particularly with the additional requirements that must be incorporated into a new strategy.
- 5.2. At this stage there is an expectation that all 3 councils will coordinate on a singular strategy for the West Coast. If either Buller and/ Grey DC's decide not to proceed then council will need to re-evaluate alternative options at that time.

6. Health and Safety

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

7. Significance and Engagement

- 7.1. The level of significance has been assessed as low as this is largely a procedural matter.
 - 7.1.1. No public consultation is considered necessary;

8. Assessment of Options (including Financial Considerations)

8.1. Option 1 – To apply to NZTA for an extension of the existing procurement strategy until July 2025 to allow for time to develop a new strategy in conjunction with Buller and Grey Councils in order to save costs and align all 3 Councils Procurement strategies into a single West Coast Councils Procurement Strategy.

8.1.1. The following financial implications have been identified. The joining of forces with Grey and Buller Councils to jointly fund this activity under the 2024/27 NLTP will result in a net saving to each Council. The exact figure of this saving is as yet undetermined however, initial estimates have indicated a potential of up to 50% savings for each individual Council on previous development costs.

8.2. Option 2 – To apply to NZTA for an extension of the existing procurement strategy until July 2025 to allow for time to develop a new single WDC procurement strategy but in conjunction with Buller and Grey Councils in order to save costs but retain independent procurement strategies.

8.2.1. The following financial implications have been identified. The joining of forces with Grey and Buller Councils to jointly fund this activity under the 2024/27 NLTP will result in a net saving to each Council. The exact figure of this saving is as yet undetermined however, initial estimates have indicated a potential of up to 50% savings for each individual Council on previous development costs.

9. Preferred Option(s) and Reasons

9.1. The preferred option is Option 1 - To apply to NZTA for an extension of the existing procurement strategy until July 2025 to allow for time to develop a new strategy in conjunction with Buller and Grey Councils in order to save costs and align all 3 Councils Procurement strategies into a single West Coast Councils Procurement Strategy.

9.2. The reason that Option 1 has been identified as the preferred option is that it allows for a continuation of the broader collaborations between the 3 West Coast Council Transportation Teams. This long running collaboration has proven to be a successful formula for the West Coast and a joint West Coast Councils Procurement Strategy has the best potential to deliver much needed savings in both cost and time.

10. Recommendation(s)

10.1. That the report be received and,

10.2. That Council resolve to adopt Option 1 - To apply to NZTA for an extension of the existing procurement strategy until July 2025 to allow for time to develop a new strategy in conjunction with Buller and Grey Councils in order to save costs and align all 3 Councils Procurement strategies into a single West Coast Councils Procurement Strategy.

Karl Jackson
Transportation Manager

Appendix 1: Procurement Strategy Final 1.2.26May 2021.pdf

Appendix 2: 2023 11 15 Westland District Council – Reminder of Procurement Strategy Expiry Date.pdf

Appendix 3: Framework for delivering Broader Outcomes.pdf



Westland District Council: Infrastructure Procurement Strategy 2021

Final
May 2021



Document Title:

Westland District Council: Infrastructure Procurement Strategy 2021

Prepared for:

Westland District Council

Quality Assurance Statement

Rationale Limited	Project Manager:	Neil Jorgensen
5 Arrow Lane	Prepared by:	Linda Cook, Benjamin Hull
PO Box 226	Reviewed by:	Neil Jorgensen, Karl Jackson
Arrowtown 9351	Approved for issue by:	Neil Jorgensen
Phone: +64 3 442 1156	Job number:	J001219

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1.0	April 2021	First Draft	LC/BH	NJ	NJ
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2.1	10 May 2021	Final	LC/BH	KJ/NJ	NJ
2.2	21 May 2021	Final 1.1	LC	KJ/NJ	NJ
2.3	26 May 2021	Final 1.2	LC	KJ/NJ	NJ

Current Version

Rev No.	Date	Revision Details	Prepared by	Reviewed by	Approved by
2.3	26 May 2021	Final 1.2	LC	KJ/NJ	NJ

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Executive Summary

Summary Statement

OVERVIEW

Westland District Council (WDC) has developed this Procurement Strategy to enable the procurement of good and services in a manner that aligns with its Procurement Policy and Activity Management Plans for its core infrastructure. Also, this Procurement Strategy meets the requirements of Waka Kotahi for funded programmes related to roading.

WDC has identified the need to plan effectively and deliver quality in a sustainable manner; lowest cost options are not necessarily the best and can result in high operational and maintenance costs. This is especially so if this is undertaken with inadequate planning and lacking a clear framework. Wishing to maximize value for money, a robust strategic and asset management planning regime, as well as effective procurement processes, is a priority for ensuring that effective and whole-of-life forward work programmes are developed and delivered.

ROADING ACTIVITY

WDC has recently undertaken a Local Government Section 17A service of its roading activity, focusing on the Road Maintenance delivery activities.

The service delivery identified three key areas for improvement:

- Contract to have a longer term with an expanded scope to make it more sustainable and attractive to potential tenderers.
- Contract to align with Buller District Council (BDC) contract, which commenced 1 October 2020 (and Grey District Council when their current contract expires), in terms of timeframes and specifications to allow for potential combining of contracts in the future, fostering the collaborative approach to service delivery on the West Coast.
- A greater emphasis on the collection and logging of data through the contract, in order to improve data quality to better inform future investment.

The new road maintenance contract documentation is currently being developed and established before approaching the market. It will be a Cost-Plus model and will be to NZS3917 format. Value for money will be a consideration when comparing tenders, taking into account whole of life costs to Council rather than just the initial up-front cost or lowest price, including any on-going cost and uncertainties that may impact on delivery.

The current maintenance contract expires 30 June 2021. Various options were considered to enable a contractor could be in place for the 1 July 2021. However, the timeframes involved did not fit the best practice procurement models. Therefore, WDC requests that Waka Kotahi NZ Transport Agency (Waka Kotahi) grant an approval to issue an extension (of five months to 30 November 2021) to the current maintenance contract. This will allow for an adequate timeframe to work through the procurement activities and provide for adequate transition time to the new contract.

WDC will continue to investigate and develop potential future opportunities for greater efficiency through exploring more collaborative and shared approach with other West Coast councils and stakeholders (such as Waka Kotahi).

Collaboration with neighbouring Councils is essential. The benefits have been shown in the recent development of the West Coast Councils Combined Roading programme Business Case Activity Management Plan (C.AMP). The development of this plan clearly demonstrates how Councils can work together to achieve a common goal and ensure cost effective management of the roading and transportation network for the West Coast.

Procurement Summary

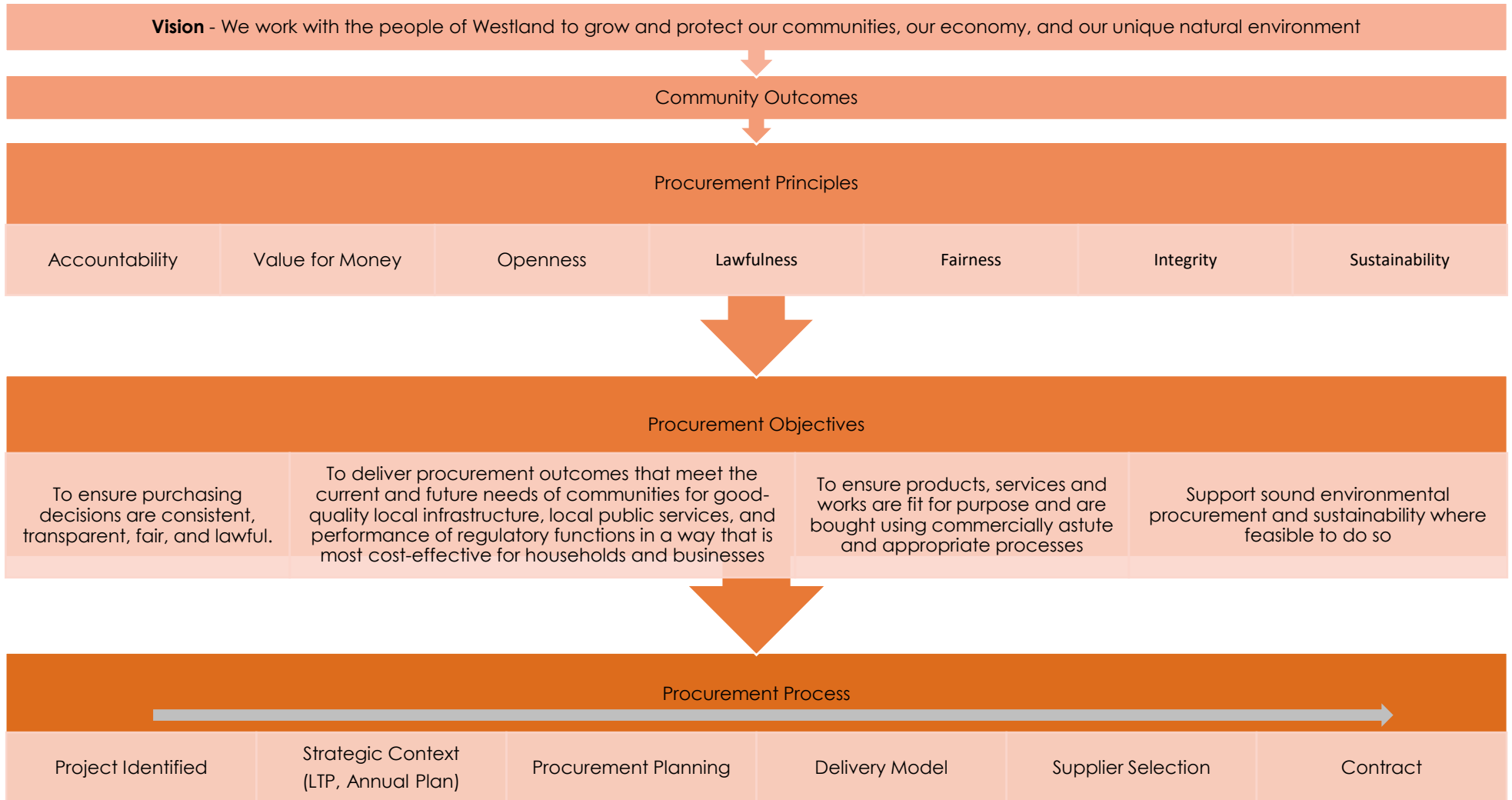


Figure 1: Procurement Summary

Endorsement and Approval Sought from Waka Kotahi

Westland District Council request that Waka Kotahi:

- Endorses this Procurement Strategy and the various procurement approaches contained within it.
- Approves extension of the current road maintenance contract to 30 November 2021 to allow the preferred procurement timeline.
- Approves a contract period of 3 + 2+ 10mths (with a maximum term of 5 years 10 months) for the new local roads maintenance contract – allows alignment with Buller District Council's contract. (Note, this may increase to 3 + 2 + 11 months if the procurement process is completed earlier than provided for here).

Corporate ownership/endorsement

This Infrastructure Procurement Strategy (the Strategy) covering the Westland District's core infrastructure (2021 to 2024) is aligned with the Westland District Council Procurement Policy adopted in 2018.

The Strategy meets Waka Kotahi's requirements for the procurement of works and services they fund, is in line with the council's procurement policies and takes precedence for works where there is conflicting information.

Next Steps

- Seek endorsement of this Procurement Strategy from Waka Kotahi and then adoption by Westland District Council.
- Seek approval from Waka Kotahi for extension of current contract by three months until 30 November 2021 to allow sufficient time to develop contract documents and additional mobilisation time.
- Prepare and procure the roading operations and maintenance contract.
- Consider the future development of a Combined Procurement Strategy with Grey and Buller District Councils.

1 Overview

1.1 Our Commitment

Westland District Council (WDC) is committed to providing an open and competitive marketplace across the region. This is to demonstrate to ratepayers that the delivery of services undertaken is the best possible value for money whilst providing opportunities for potential suppliers.

WDC also recognises that successful contracts are relationship based and can have several parties contracted to work together to deliver a single outcome. These relationships involve a sharing of skills and risk along with jointly promoting innovation to improve value of the service delivery. These professional relationships are relevant from the smallest of contracts through to long term contracts.

Solid contractual relationships:

- Promote stability in the marketplace.
- Provide confidence to the Westland District Council and the contracting industry.
- Encourage investment in systems, training, and equipment.

1.2 Extent of Strategy

WDC procures works, goods, and services to sustain the community and meet the changes in demand under all Activity Groups from the purchase of stationery and IT services through to maintenance and capital works for its core infrastructure activities.

Accordingly, the approach to procurement will vary depending on scale, complexity, and risk.

While applicable to all the organisation's operations, this strategy is primarily focussed on the infrastructure activities, which include:

1. Transportation (a focus of this Strategy to comply with Waka Kotahi requirements).
2. Three Waters Services (water supply, wastewater, and stormwater).
3. Parks and Reserves.
4. Buildings and Community Halls.
5. Solid Waste.

1.3 Value for Money

The key criteria to successful procurement and the successful delivery of services requires a whole-of-life approach, implementing good asset management planning, including lifecycle management planning and modelling.

The key components of value for money are regarded as:

- Robust planning to identify an effective work plan.
- Appropriate, efficient, and compliant supplier selection procedures.
- Maintaining capacity and competitiveness in the local market.
- Successful delivery of works and services (the right outcome on time and within budget).

This broad, long-term, perspective commits WDC to seeking sustainable options and not necessarily the lowest cost ones.

1.4 Organisational Endorsement and Review

Subject to the endorsement of Waka Kotahi, the Procurement Strategy will be adopted by Council.

Responsibility for the Strategy primarily lies with the Transportation Manager.

Reviews and Waka Kotahi endorsement of the Procurement Strategy is a requirement for continued funding.

The Strategy will be reviewed on a three yearly basis to ensure it is current and remains fit for purpose.

2 Legislation & Regulatory Requirements

Council must be aware of, and comply with, all applicable legislation (and amendments) when it funds or procures works, goods, or services.

2.1 Local Government Act 2002 (LGA)

The purchase of goods or services must be consistent with the principles of the LGA. Under S14 and SS77-81 of the LGA, local authorities are required to:

- Conduct business in an open, transparent and democratically accountable manner;
- undertake commercial transactions in accordance with sound business practice; and
- in the course of decision-making:
 - seek to identify all reasonable practical options for the achievement of meeting objectives for a decision; and
 - assess the options in terms of their advantages and disadvantages.

2.2 Waka Kotahi Funded Activities

2.2.1 LAND TRANSPORT MANAGEMENT ACT 2003

The Land Transport Management Act 2003 (LTMA) clause 25, outlines the requirements for Waka Kotahi NZ Transport Agency (Waka Kotahi) to consider when approving Procurement Procedures for use by Approved Organisations; in the context of this strategy being the WDC.

Key aspects of procurement procedures include:

- Must be designed to obtain best value for money spent.
- Enabling persons to compete fairly for the right to supply outputs.
- Encouraging competitive and efficient markets for the supply of outputs.

2.2.2 WAKA KOTAHI PROCUREMENT MANUAL

Waka Kotahi is committed to the concepts of value for money, maintaining competitive and efficient markets, and fair competition among suppliers. Waka Kotahi's Procurement Manual contains procurement procedures approved under Section 25(1) of the LTMA.

Transport users want a system that is accessible for all modes of transport and is safe and reliable. Waka Kotahi and WDC's investment in transport services and infrastructure within an Investment Assessment Framework help achieve value for money through:

- Planning to implement activities and programmes in the right way (through business cases).
- Selecting the right things to do (through results alignment).
- Implementing them at the right time and for the right price (through cost benefit appraisal and smart procurement).

The procurement procedures contained in Waka Kotahi's Procurement Manual are approved for use to purchase the goods and services required to deliver the activities that have been funded under Section 20 of the LTMA.

The Procurement Manual requires that Approved Organisations (AOs) adopt a strategic approach in procuring their Waka Kotahi subsidised transport programme.

2.3 Government Procurement Rules

2.3.1 OVERVIEW

The Government Procurement Rules¹ 'support sustainable and inclusive procurement through the promotion of good practice for procurement planning, approaching the supplier community and contracting' (www.procurement.govt.nz/procurement/principles-charter-and-rules/government-procurement-rules/).

The Procurement Rules include the following five principles that ensure good procurement practice:

- Plan and manage for great results.
- Be fair to all suppliers.
- Get the right supplier.
- Get the best deal for everyone.
- Play by the rules.

The Principles of Government procurement should be considered in all procurement activities.

A key focus of the Rules is the importance of open competition – giving all businesses the chance to participate and giving them enough time to respond to opportunities properly. They also promote best practice, strategic procurement, and fair competition.

Broader Outcomes (Government Procurement Rule 16) are the secondary benefits that are generated from the procurement activity. These outcomes can be social, environmental, cultural, or economic benefits, and will deliver long-term public value. Broader outcomes require consideration not only of the whole-of-life cost of the procurement, but also the costs and benefits to society, the environment, and the economy.

2.3.2 SUSTAINABLE PROCUREMENT AND BROADER OUTCOMES

Sustainable procurement is a purchasing and investment process that takes into account the economic, environmental, and social impacts of an organisation's spending.

Sustainable procurement means that when buying goods or services, we will consider:

- Strategies to avoid unnecessary consumption and manage demand.
- Minimising environmental impacts of the goods/services over the whole-of-life of the contract.
- Suppliers' socially responsible practices including compliance with legislative obligations to employees.
- Value for money over the whole-of-life, rather than just the initial cost.

Procurement should be used to 'support wider social, economic, cultural and environmental outcomes that go beyond the immediate purchase of goods and services' (www.procurement.govt.nz/broader-outcomes/).

A focus for WDC in its procurement is to support the local economy through provision of opportunities for local businesses and organisations to participate in the procurement of services and goods.

¹ <https://www.procurement.govt.nz/procurement/principles-charter-and-rules/>

3 Policy and Strategic Context

3.1 Activity Goals

WDC wants its infrastructure to be fit-for-purpose, efficient, reliable, convenient, and safe to deliver on its vision, which is 'working with the people of Westland to grow and protect our communities, our economy and our unique natural environment'.

Community outcomes are the goals that Council wants to achieve for the community. They reflect what the community sees as important for its well-being and they help to build up a picture of the collective vision for the district's future. The outcomes guide decision-making by WDC.

WDC links its activities and services back to the outcomes, recognising the significant role of its Activities in the achievement of Community Outcomes.

The table below shows the Vision for each Activity, taken from the 2018/28 LTP. At the time of writing, the 2021/31 LTP goals are still to be finalised. However significant change is not expected; if it is then this strategy will be reviewed accordingly.

Table 1: Activity Group Visions

ACTIVITY GROUP	VISION (2018/28 LTP)	WHY WE DO IT (2018/28 LTP)
3-Waters	Clean and healthy water is vital for our vision of top-class infrastructure for our communities. This activity contributes to our overarching vision relating to innovation, world class service, community and stakeholder involvement and top-class infrastructure. The core values that underlie these parts of our vision are affordability, customer focus, quality, reliability, responsiveness, accessibility, building relationships and safety.	<ul style="list-style-type: none"> • Ensure the protection of public health and the environment. • To provide for the economic wellbeing of the District.
Waste Management	Solid Waste Management contributes to our vision of top-class infrastructure for our communities. This activity contributes to our overarching vision relating to innovation, world class service, community and stakeholder involvement and top-class infrastructure. The core values that underlie these parts of our vision are affordability, customer focus, quality, reliability, responsiveness, accessibility, building relationships and safety.	The Council is responsible, under the Local Government Act 2002, for encouraging efficient and sustainable management of solid waste. Council must have in place for the management of solid waste which integrates reduction, re-use, and recycling and recovery of waste, with treatment or disposal of the remaining waste.
Land Transport	Good roading is essential for our vision of top-class infrastructure and opportunities for expanded development. This activity contributes to our overarching vision relating to innovation, world class service, community and stakeholder involvement and top-class infrastructure. The core values that underlie these parts of our vision are	Council is defined as a road controlling authority under the LGA 2002 and must comply with key transport management legislation. Council has to ensure the core function of providing a transport network that is accessible for all people within the District in

ACTIVITY GROUP	VISION (2018/28 LTP)	WHY WE DO IT (2018/28 LTP)
	affordability, customer focus, quality, reliability, responsiveness, accessibility, building relationships and safety	conjunction with other transportation agencies.
Community Halls and Buildings	Community township development supports our vision for Westland by providing maintenance and creating opportunities for communities to upgrade and develop their town environment. By involving the community and stakeholders we can create beautiful places that are fun to visit and awesome to live in. This activity contributes to our overarching vision relating to innovation, community and stakeholder involvement and expanded development opportunities. The core values that underlie these parts of our vision are affordability, customer focus, quality, accessibility, building relationships, and sustainability.	To assist the future growth and development of Westland and provide communities a mechanism on order for them to guide improvements, through: <ul style="list-style-type: none"> • Planning for communities and giving direction to future infrastructure. • Upgrading amenities in communities. • Responding to and to support community initiatives.
Parks & Reserves	Parks and reserves that are well maintained and used contribute to our vision for top class infrastructure for all our communities. This activity contributes to our overarching vision relating to innovation, community and stakeholder involvement and expanded development opportunities. The core values that underlie these parts of our vision are affordability, customer focus, quality, accessibility, building relationships, and safety.	There is a public expectation for Council to continue to manage and maintain reserves for the benefit of the community.

Infrastructure is an enabler in achieving our vision. While contributing to all of the outcomes, infrastructure specifically aligns with a thriving and resilient economy, and the requirement to provide efficient and effective infrastructure. This infrastructure is to be of high quality and cost-effective and meet the current and future needs of our community.

WDC is committed to demonstrate to its ratepayers that it is delivering the lowest whole-of-life cost and best value service possible.

3.2 Procurement Objectives and Principles

The Strategy is set in the context of the Council's Procurement Policy (adopted August 2018) that provides direction to staff on the objectives and principles required to conduct procurement activities. It also aligns with the Council's Delegations Manual.

3.2.1 PROCUREMENT POLICY OBJECTIVES

- To ensure purchasing decisions are consistent, transparent, fair, and lawful.

- To deliver procurement outcomes that meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.
- To ensure products, services and works are fit for purpose and are bought using commercially astute and appropriate processes.
- Support sound environmental procurement and sustainability where feasible to do so.

3.2.2 PROCUREMENT PRINCIPLES

The principles below underpin the intent and implementation of the procurement policy, and its objectives. How we deliver on these principles is outlined:

Table 2: Procurement Principles

Principle		We will:
Accountability	Council will be accountable for its performance and be able to give complete and accurate accounts of the use it has put public funds to.	<ul style="list-style-type: none"> • Assess and document effectiveness, efficiency, and value for money. • Follow best practice governance and management processes. • Maintain appropriate records relating to procurement activities that allow for subsequent review of the decision-making process.
Value for Money	Council will use resources effectively, efficiently, economically, and without waste, with due regard for the total costs and benefits of an arrangement, and its contribution to the outcomes Council is trying to achieve. The principle of value for money for procuring goods or services does not necessarily mean selecting the lowest price but rather the best possible outcome for the total cost of ownership (or whole-of life cost).	<ul style="list-style-type: none"> • Deliver fit for purpose solutions to meet operational and business needs. • Balancing the bundling of work to suit local procurement environment and geographic area. • Promote efficient purchasing practices and minimise procurement costs. • Have due regard for total costs and benefits of a contract and contribution to the outcomes in the Long-Term Plan (LTP) and Annual Plan. • Assess continuous improvement in the provision of services.
Openness	Council will be transparent in its administration of funds, both to support accountability and to promote clarity and shared understanding of respective roles and obligations.	<ul style="list-style-type: none"> • Ensure purchases are made in an open, fair, transparent, and accountable manner. • Promote open and effective competition between capable suppliers. • Be impartial in decision-making –treating all suppliers equally and fairly. • Consider sub-contracting various pieces of work in big projects.
Lawfulness	Council must act within the law and meet its legal obligations.	<ul style="list-style-type: none"> • Ensure Council's purchasing activities are managed in accordance with its statutory and legal responsibilities. • Compliance with Waka Kotahi regulations such as the Waka Kotahi

Principle		We will:
		Procurement Manual and funding application requirements.
Fairness	Council has a general public law obligation to act fairly and reasonably. It must be, and must be seen to be, impartial in its decision-making. Council must be free from bias and real and/or perceived conflicts of interest.	<ul style="list-style-type: none"> • Ensure local suppliers have the opportunity to compete for Council business. • Tender documents to be clear and concise, with tender evaluation criteria included.
Integrity	Anyone who is managing public resources must do so with the utmost integrity.	<ul style="list-style-type: none"> • Observe ethical standards, principles, and behaviour throughout the procurement process. • Understand procurement risks and how to manage them. • Waka Kotahi Procurement Manual to be complied with for all Waka Kotahi funded works.
Sustainability	Sustainable procurement encourages a four well-being's approach.	<ul style="list-style-type: none"> • Promote Council's commitment to sustainability and environmental protection. This will be pursued by promoting, where legally possible to do so, purchasing practices which conserve resources, save energy, minimise waste, and will protect the environment and human health whilst maintaining environmental safety and quality.

This Strategy outlines the procurement methodology to be applied to deliver the infrastructure programme fairly and openly and achieve the best value for money. Aspects considered include the current local supply market, the District's remote location and the reliance of local contractors on WDC for their sustainability.

The Procurement Strategy is also tied into the Infrastructure Strategy developed by WDC as part of the Long Term Plan (LTP). The issues and topics discussed in the infrastructure Strategy and LTP reflect the current legislative environment and the communities' priorities across the District.

A robust procurement strategy is essential for ensuring that procurement objectives and requirements align with Council's vision for its infrastructure.

4 Procurement Programme

4.1 Overview

The procurement programme sets out the annual profile of spend on physical assets for infrastructure.

The programme includes physical works for all core infrastructure activities (subsidised and un-subsidised). It excludes overheads which are part of the LTP budget.

4.2 Rooding Procurement Programme

4.2.1 OVERVIEW

The network of 700km faces unique topographical and meteorological challenges. Tourism is vital to the district and prior to COVID-19 there was a high proportion of overseas motorists; the development of a cycleway as part of the national cycle network will increase tourist numbers further. The dairy industry is also significant, and places demands on the network.

These issues demonstrate that WDC's approach to procurement in the land transport activity needs to consider a balance of maintaining and renewing the existing network, improving the network to respond to changes in demand and effective planning and management.

The key risks associated with the rooding procurement programme relate to funding, in particular the access to subsidised transport funding through the NLTP. Council has taken a collaborative approach with Grey and Buller District councils in planning their rooding programme over the next 10 years to better meet the changing demands on the networks, delivered through the 2021 West Coast Councils Combined Rooding Programme Business Case Activity Management Plan (C.AMP)

The most significant projects / works programmes are listed in the Annual Plan for each year going forward.

4.2.2 S17A REVIEW

The largest single contract for WDC is the Network Maintenance Contract, which is due to expire in June 2021.

A Section 17A service delivery review was completed in April 2021. The review was triggered with the current maintenance contract due to expire and a recognised need to re-evaluate and tighten the current contract.

A review of the current delivery of the rooding activity, through reviewing relevant documentation and a workshop with the Transportation Manager, the following key findings were identified:

- Performance of the current contract has been adequate but a number of areas for improvement have been identified.
- The current contract is not considered sustainable which, at times, affects the levels of service delivered.
- The current maintenance contract does not include measurable KPIs that would allow contractor performance to be monitored.
- Customer requests should be better aligned to assets to allow monitoring and prioritisation of responses.
- Data quality is an ongoing area of concern (note the current development of a Combined Data Improvement Strategy, as a recommendation of the C.AMP, to address this).

Three key areas of improvement will be sought through the new WDC Road Maintenance Contract:

- Contract to have a longer term with an expanded scope to make it more sustainable and attractive to potential tenderers.
- Contract to align with BDC contract, which commenced 1 October 2020 (and GDC when their current contract expires), in terms of timeframes and specifications to allow for potential

combining of contracts in the future, fostering the collaborative approach to service delivery on the West Coast.

- A greater emphasis on the collection and logging of data through the contract, in order to improve data quality to better inform future investment.

4.2.3 MAINTENANCE AND OPERATION OF LOCAL ROADS CONTRACT

The maintenance and operation of local roads is undertaken as one contract.

The current maintenance and operations contract is due to expire on 30 June 2021.

As part of this Procurement Strategy, **WDC is seeking an extension of its current contract until 30 November 2021** (an extension of four months) to ensure that the recommendations of the service delivery review are incorporated and to ensure sufficient time for tendering.

- Outline scope
- Network inspections and programming.
 - Unsealed and sealed roads maintenance.
 - Cyclic maintenance (potholes, edge break, litter collection etc).
 - Street sweeping.
 - Mowing and vegetation control.
 - Drainage maintenance.
 - Bridge maintenance & some renewals work.
 - Signs & other street furniture maintenance.
 - Emergency works/incident response.
 - Maintenance related to weather events (flooding, storms, snow, ice etc).
 - Responding to stakeholder queries.
 - Resealing (to be included under the new contract).
 - Pavement Markings (to be included under the new contract).
 - Footpath Repairs and Maintenance.

In order to help achieve efficiencies in other areas, some activities like resealing and road marking have been included within the scope of this contract, the Contractor therefore having more ownership of faults or other issues within these sites, empowering the Contractor to raise them with WDC staff and their subcontractors undertaking these works.

Incorporation of these contracts will also increase the scale of the contract, making it more attractive to potential tenderers as well as having potential to reduce the overheads and professional services required in separate procurement processes and contract administration of contracts.

The current resurfacing and road marking contracts expire at the same time as the maintenance and operations contract which enables a timely incorporation into the maintenance and operations contract.

It is anticipated that the scope of the new contract, including the resealing and road markings, would require some level of sub-contracting, either due to capability or resourcing levels. The contract will encourage the use of local organisations, supporting the local economy.

4.2.4 WORKS OUTSIDE THE MAINTENANCE CONTRACT

Typically, the following types of contracts are procured outside the roading maintenance contracts:

- Street lighting.
- Major pavement rehabilitation.
- Some major bridge/structure component replacements.
- Bridge/large culvert replacements.
- Footpath renewals.

There is a continuing programme of rehabilitation projects, seal widening, Low-Cost Low-Risk (LCLR) projects, and bridge renewals/upgrades planned in the C.AMP which will maintain the interest of the local contracting industry and hence encourage competition.

4.2.5 STREETLIGHT MAINTENANCE

Due to the relatively low level of works required, streetlight maintenance is undertaken on a reactive 'as-needed' basis by direct appointment, covering local roads only.

Ongoing maintenance work, although of low value, requires a specialist contractor with necessary approvals in order to work on power company networks. Therefore, it is considered best carried out directly between the council and the local provider, Electronet.

Through the streetlighting contract, WDC is gradually replacing lamps with LED lamps as the older lamps need replacing.

4.2.6 DELIVERING THE ROADING ACTIVITY

The projected total expenditure on the roading asset will see a significant lift over the 2021/24 period, providing for urgent investment in maintenance and renewals to address a backlog of works, whilst also increasing future investment to preserve existing assets. Bridge structures are a core focus of this programme alongside a substantial uplift in investment to improve asset management capability and capacity across the councils' roading teams.

WDC has a mix of funding mechanisms for the transport activity with the bulk of the revenue coming from Waka Kotahi subsidy (FAR), and the remainder from general rates. The current FAR for WDC is 59% and this will be increased to 62% for the 2021/24 NLTP funding round. Funding for the Special Purpose Road (SPR), Haast-Jackson Bay Road, is currently 100% but this is due to transition to normal FAR in 2024/25.

To achieve the best value in the long-term, WDC's procurement will remain flexible, collaborative, and will encourage development of the local contracting market. This will benefit both local businesses and the local economy.

Further, if the contracts are awarded to different suppliers there will be a broader maintenance resource retained in the region, leading to a more sustainable local industry in the longer term, which would support the region's wider economic development strategic aims.

4.2.7 PROPOSED ROADING CONTRACTS

As noted previously, the current Local Roads Maintenance Contract is due to expire this year.

There are several delivery models available to WDC to consider for the new contract, including traditional models and Network Outcome Maintenance Contracts (NOC). Pure performance-based contracts such as the NOC contracts can place limits on the Council's ability to influence the contracts during their term.

Considering the issues, and in the interest of maintaining a competitive industry, it has been determined that the traditional model delivered under a Cost-Plus basis, will deliver the best overall outcomes for the district.

The following table outlines the WDC programme of works.

The procurement method is selected on the level of risk, based on the cost, complexity, consequences, health and safety, and environmental factors.

Table 3: Roading Programme of Works

Contract	Comments	Start Date	Duration	Budget 2021/22 ²	Method of Payment	Procurement Method
Local Roads Maintenance Contract (incl some renewals)	It is proposed to incorporate the resurfacing and road markings into the maintenance and operations contract to make it a larger and more attractive contract. Renewals to include: <ul style="list-style-type: none"> • Sealed Road Resurfacing • Unsealed Road Metalling • Drainage Renewals • Structures Component Replacements • Traffic Services Renewals • Sealed Road Pavement Rehabilitation 	1 Dec 2021 <i>(subject to approval for extension from 1 July)</i>	3 + 2 + 10 mths <i>(extensions subject to performance and available funding)</i>	\$5,003,244 for local roads & SPR	Cost-Plus	Price Quality
Footpath Renewals	Annual programme of works procured separately to the O & M contract.	Annual	As required	\$100,000	<ul style="list-style-type: none"> • Lump sum • Measure & Value 	<ul style="list-style-type: none"> • Direct appointment • LPC
Renewals	Pavement renewals	By project	As required	\$350,000	<ul style="list-style-type: none"> • Lump sum • Measure & Value 	<ul style="list-style-type: none"> • Direct appointment • LPC
	Bridge Renewals	By project	As required	\$575,000 for local roads & SPR		

² Source: 2021 Roading Activity Management Plan

Contract	Comments	Start Date	Duration	Budget 2021/22 ²	Method of Payment	Procurement Method
Street Light Maintenance	Due to the relatively low level of works required, streetlight maintenance is undertaken on a reactive 'as-needed' basis by direct appointment.	Ongoing	Ongoing - reactive	As required	As required	Direct appointment
Professional Services	The provision of professional services is provided both in house and externally.	By project	As required	tbc	<ul style="list-style-type: none"> • Lump sum • Measure & Value 	<ul style="list-style-type: none"> • Price / Quality • Direct appointment
Low-Cost Low Risk (LCLR)	Separate contracts will be let for any LCLR work. For components of larger projects, WDC may let the delivery of specific areas of specialisation separately, such as design. This approach supports the small to medium sized suppliers.	By project	Contract length may vary from a project specific timeframe to an annual or longer period contract.	\$1,885,000 for local roads & SPR	<ul style="list-style-type: none"> • Lump sum • Measure & Value 	<ul style="list-style-type: none"> • Direct appointment • Lowest price Conforming • Price / Quality

4.3 Three Waters Procurement Programme

WDC operates eleven water supplies, four wastewater systems, and fifteen stormwater systems across the district. Upgrading water supplies to meet Ministry of Health requirements is a priority. The continued growth in the tourism sector is also affecting the capacity of water and wastewater schemes with upgrades due in Fox, Franz Joseph, and Hokitika.

These issues demonstrate that the approach to procurement in the three waters sector needs to consider a balance of maintaining and renewing the existing network, improving the network to respond to changes in demand, and effective planning and management.

The keys risks associated with the three waters services procurement programme relate to funding and the capacity of WDC and the sector to undertake the required work in an efficient and cost-effective manner. This reinforces the importance of effective asset management and planning.

The most significant procurement items are listed in the WDC LTP and Annual Plans.

4.4 Waste Management Procurement Programme

The provision of waste management services is a combination of meeting community expectations along with the protection of public health and the environment. WDC has taken a comprehensive approach to planning, and long-term contracts are in place for collection, facilities, and disposal. There is a vision to reduce waste to landfill to zero; however, there are concerns that the present direction for waste management may not be sustainable due to increasing costs.

The keys risks associated with the waste management procurement programme relate to changes in the legislative environment including implementation of the Waste Minimisation Act and the capacity of WDC and the sector to undertake the required work in an efficient and cost-effective manner.

4.5 Parks and reserves procurement programme

WDC manages and maintains a number of parks and reserves throughout the District for active and passive recreation; including children's playgrounds, sports grounds, grassed and planted areas, and native bush.

Operations include the upkeep of grounds and facilities, as well as the maintenance of statues and monuments.

4.6 Community Halls and Buildings procurement programme

WDC provides and manages various buildings and halls used for non-commercial purposes by the community.

The population and demographic changes occurring within the District affect the demand for these services and achieving a balance of services provided and affordability is a challenge. Staff and community committees work closely together to ensure appropriate solutions are achieved.

The keys risks associated with community halls and buildings relate to the long-term sustainability of these facilities.

4.7 Financial Summary of Proposed Renewals / Capital Projects

The following table summarises the financial breakdown for the significant future contracts for all activities. This summary only includes large capital projects, valued at greater than \$200,000 and procured using open tender.

The financial summary is presented from the WDC draft LTP budget at 25 November 2020.

4.7.1 LAND TRANSPORT

Table 4: 10 yr Capital Works - Land Transport

Works	Yr 1 2021/22	Yr 2 2022/23	Yr 3 2023/24	Yrs 4-10
Footpath Renewals	\$100,000.00	\$100,000.00	\$100,000.00	\$700,000.00
Road Renewals / Resurfacing	\$1,450,000.00	\$1,450,000.00	\$1,450,000.00	\$10,150,000.00
Drainage Renewals	\$350,000.00	\$350,000.00	\$350,000.00	\$2,450,000.00
Structures Replacements	\$197,000.00	\$200,400.00	\$203,868.00	\$1,455,514.00
Traffic Services Renewals	\$575,000.00	\$575,000.00	\$1,475,000.00	\$4,025,000.00
Low Cost Low Risk	\$137,000.00	\$143,350.00	\$150,018.00	\$1,267,025.00
Total	\$ 4,694,000.00	\$3,428,750.00	\$4,578,886.00	\$22,952,539.00

4.7.2 WATER SUPPLY

Table 5: 10 yr Capital Works – Water Supply

Location	Yr 1 2021/22	Yr 2 2022/23	Yr 3 2023/24	Years 4 - 10
Replacement of Water Treatment Plant Components	\$ 45,000.00		\$ 45,000.00	\$135,000.00
SCADA / Telemetry at WTP's	\$ 30,000.00			\$ 30,000.00
Arahura - WTP Upgrade	\$ 400,000.00			\$ 400,000
Fox Glacier - Water Mains Replacement				\$112,000.00
Franz Water Mains Replacement				\$500,000.00
New WTP for Franz Josef				\$ 3,000,000.00
Harihari Water Mains Replacement				\$100,000.00
Hokitika Seismic Valve (main outlet)				\$40,000.00
Hokitika Water Mains Replacement	\$250,000.00		\$ 250,000.00	\$ 750,000.00

Location	Yr 1 2021/22	Yr 2 2022/23	Yr 3 2023/24	Years 4 - 10
Hokitika WTP Improvements - Modules 3				\$1,600,000.00
Hokitika - Replace/Repair Existing Brickfield Reservoirs		\$90,000.00		\$ 90,000
Kumara Water Mains Replacement	\$150,000.00	\$70,000.00		\$ 100,000.00
Kumara Remedial works to WTP to achieve full operational efficiency	\$50,000.00			\$ 50,000
Kumara Replace/repair Existing Kumara Reservoir				\$ 264,000.00
Kumara Seismic Valve (main outlet)		\$ 30,000.00		\$30,000
Ross - Replacement of Pumps at WTP				\$ 150,000.00
Ross Water Mains Replacement				\$ 120,000.00
Total	\$925,000.00	\$ 190,000.00	\$295,000.00	\$ 6,971,000.00

4.7.3 WASTEWATER

Table 6: 10 yr Capital Works - Wastewater

Location	Yr 1 2021/22	Yr 2 2022/23	Yr 3 2023/24	Years 4 - 10
Contribution towards new developments	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$70,000.00
Replacement of Wastewater Treatment Plant Components		\$ 20,000.00		\$ 80,000.00
Fox Glacier Wastewater Mains Replacement				\$ 300,000.00
Franz Josef Wastewater Mains Replacement				\$ 150,000.00
New WWTP at Franz Josef				\$ 500,000.00
Haast Wastewater Mains Replacement				\$ 120,000.00
Haast Wastewater Treatment Plant upgrade				\$ 925,000.00
Hokitika "z line" Replacement	\$ 112,830.67	\$ 112,830.67	\$ 112,830.67	\$ -

Location	Yr 1 2021/22	Yr 2 2022/23	Yr 3 2023/24	Years 4 - 10
Hokitika Wastewater Mains Replacement				\$ 1,956,900.00
Kaniere Sewer Pumps Upgrade				\$ 35,000.00
Hokitika - WWTP Treatment and Disposal		\$ 3,000,000.00	\$ 3,000,000.00	\$ 6,000,000.00
TOTAL	\$ 122,830.67	\$ 3,142,830.67	\$ 3,122,830.67	\$ 10,136,900.00

4.7.4 STORMWATER

Table 7: 10 yr Capital Works - Stormwater

Location	Yr 1 2021/22	Yr 2 2022/23	Yr 3 2023/24	Years 4 - 10
Hokitika				
Bealey St Pump Upgrade		\$ 20,000.00		\$ -
Contribution towards new developments	\$ 20,000.00	\$ 10,000.00	\$ 10,000.00	\$ 70,000.00
Hokitika Stormwater Mains Replacement	\$ 157,400.00	\$ 157,400.00	\$ 157,400.00	\$ 368,800.00
Kaniere Road Network	\$ 15,000.00	\$ 120,000.00		\$ -
Livingstone St Pump Upgrade	\$ 500,000.00			\$ 1,000,000.00
River Outfall Flap Gates				\$ 10,000.00
Sewell St Pump Upgrade	\$ 100,000.00			\$ -
Weld St Extension				\$ 50,000.00
TOTAL	\$ 792,400.00	\$ 307,400.00	\$ 167,400.00	\$ 1,498,800.00

4.7.5 SOLID WASTE

Table 8: 10 yr Capital Works – Solid Waste

Location	Yr 1 2021/22	Yr 2 2022/23	Yr 3 2023/24	Years 4 - 10
Fox Glacier				
Fox Landfill Armouring			\$ 40,000.00	\$ 80,000.00
Township maintenance - Fox rubbish bins				\$ 5,000.00
Haast				
Development of new Transfer Station	\$ 30,000.00			\$ -
Landfill capping	\$ 30,000.00			\$ -

Location	Yr 1 2021/22	Yr 2 2022/23	Yr 3 2023/24	Years 4 - 10
Township maintenance - Haast rubbish bins				\$ 5,000.00
Hannahs Clearing				
Hannahs Clearing Landfill protection				\$ 20,000.00
Hari Hari				
Hari Hari Landfill protection	\$ 50,000.00			\$ 20,000.00
Hokitika				
Glass crusher	\$ 100,000.00			\$ 200,000.00
Intermediate Capping for Butlers	\$ 100,000.00			\$ -
Township maintenance - Hokitika rubbish bins				\$ 20,000.00
Waste minimisation	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 350,000.00
Wastebin replacement programme	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 7,000.00
Kumara				
Township maintenance - Kumara rubbish bins				\$ 10,000.00
Neil Beach				
Neils Beach Landfill protection	\$ -	\$ -	\$ -	\$ 20,000.00
Grand Total	\$ 361,000.00	\$ 51,000.00	\$ 91,000.00	\$ 737,000.00

4.7.6 PARKS & RESERVES

Table 9:10 yr Capital Works – Parks & Reserves

Location	Yr 1 2021/22	Yr 2 2022/23	Yr 3 2023/24	Years 4 - 10
Haast				
Upgrade/Replacement of Playground equipment	\$4,000.00	\$ 1,500.00	\$1,500.00	\$ 13,000.00
Hokitika				
Cass Square - Replacement of bark chips with rubber matting	\$ 50,000.00			\$ 80,000.00
Cass Square - Skate Park	\$ 200,000.00	\$ 250,000.00		\$ -
Cass Square - Upgrade of Playground equipment		\$ 135,000.00	\$ 250,000.00	\$ 75,000.00

Location	Yr 1 2021/22	Yr 2 2022/23	Yr 3 2023/24	Years 4 - 10
Cass Square new Development	\$ 100,000.00	\$ 75,000.00	\$ 15,000.00	\$ 30,000.00
Cass Square Turf Improvements			\$ 15,720.00	\$ 31,440.00
Cemetery - Hokitika upgrade & expansion	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 70,000.00
Dog Park	\$ 10,000.00			\$ -
Hokitika Cemetery - Improvements - Berm	\$ 10,000.00		\$ 10,000.00	\$ 30,000.00
Hokitika Cemetery - Improvements - Road				\$ 30,000.00
Waterfront development	\$ 160,000.00	\$ 100,000.00		\$ -
Kumara				
Upgrade/Replacement of Playground equipment	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 10,500.00
Rimu-Hill Lookout				
Upgrade/Replacement of kiosk & interpretation panels	\$ 5,000.00			\$ 2,000.00
Ross				
Cemetery - Improvements - Berm Development	\$ 10,000.00	\$ 5,000.00		\$ -
Upgrade/Replacement of Playground equipment	\$ 40,000.00	\$ 1,500.00	\$ 1,500.00	\$ 15,500.00
Whataroa				
Upgrade of Playground equipment	\$ 40,000.00	\$ 1,500.00	\$ 1,500.00	\$ 30,500.00
Whataroa Pavilion upgrade	\$ 12,000.00			\$ -
Total	\$ 652,500.00	\$ 581,000.00	\$ 306,720.00	\$ 417,940.00

5 Understanding our Procurement Environment

5.1 Collaborative Approach to Procurement

WDC is actively involved with neighbouring authorities and other agencies such as Waka Kotahi (Highway Managers), Grey District Council, Buller District Council, and the West Coast Regional Council.

These agencies, along with local farming and forestry companies, provide a base load of work which complements the ability of local contractors to service the districts infrastructure needs.

WDC is committed to exploring collaborative opportunities with the other West Coast Councils, Grey and Buller, building on the recent development of the C.AMP. The development of this C.AMP clearly demonstrates how Councils can work together to achieve a common goal and ensure cost effective management of the roading and transportation network for the West Coast.

Each organisation has its own requirements for the timing of project delivery, and it is not always practical to provide a coordinated pipeline of tenders to the market. However, a collaborative approach to procurement where practicable, such as alignment of contracts (in terms of scope and timeframes) or combining contracts across the region, will deliver cost-effective outcomes and make contracts more attractive to those based outside the region.

Collaboration within the Regional Transport Committee provides further opportunity for integrated programming across Transportation agencies.

5.2 Market Environment

5.2.1 OVERVIEW

While Westland's isolated and remote location may at times create an impediment to outside contractors, we can maintain a competitive market for general civil works with a range of local contractors capable of supplying the full range of services we need to procure. Council wishes to attract creative, clever, and commercially focused suppliers, contractors, and consultants to help deliver innovative and effective solutions to get the best value for the ratepayers of the Westland District. This is not always the cheapest price. To be an attractive customer, it is essential that Council fosters productive relationships with suppliers.

Efforts to nurture this marketplace can include unbundling work packages, maintaining a regular workflow by softening out peaks where possible i.e. weather dependent work not conflicting with civil works, collaborating with neighbouring approved organisations, and communicating work through the Annual Plan and LTPs so contractors are aware of forward programmed works.

WDC is served by a limited range of suppliers. Some of the larger national / international organisations have bases in Greymouth, and there are various smaller enterprises based across the District. Council considers that there is usually sufficient level of interest in tenders and competition between suppliers.

As a medium sized, rural local authority, WDC needs to ensure value for money for ratepayers. Following the procurement rules are essential in order to:

- Provide open and fair competition that supports innovation and helps create a competitive, productive marketplace in the Westland District; and
- Ensure Council is valued as a desirable principle / client organisation that demonstrate professional practice and has a reputation for integrity.

5.2.2 PHYSICAL WORKS PROVIDERS

In terms of Physical Works Contractors, MBD Contracting, Fulton Hogan, and Westroads Ltd have a considerable presence within the Region with Isaac's recently establishing on the coast.

There are also numerous "owner-operator" Contractors who are capable of undertaking small projects and sub-contract work.

5.2.3 ROADING OPERATIONS AND MAINTENANCE CONTRACT

Market engagement in other regions has confirmed that large National Tier 1 firms holding maintenance contracts throughout NZ indicated a preference for contract values ranging from \$3.5 million to over \$ 10 million annually. This also included an initial tenure of five years with possible further extensions as well as a collaborative style with reward mechanisms, where decisions and programmes are owned by the principle. WDC's local roads maintenance contracts have traditionally been at the lower end of the annual value scale and it intends to seek 3 + 2 + 10 months tenure for the new contract.

The local roading construction and maintenance marketplace is dominated by one national Tier 1 contracting firm (Fulton Hogan), and this firm is supported by Westroads in the Westland District for the local content portion of the State Highway NOC.

There are local contracting firms with the capability to undertake physical works, but some lack the nationally developed management systems and available resources to undertake the full-service contracts currently being tendered in accordance with expected roading industry standards. These local firms have previously, and likely will still, subcontract to Westroads or larger national organisations.

Isaac is another organisation that has recently established on the West Coast and will provide a competitive tension for tendered works.

As such, it is considered that there is adequate competition at a local level at present and this is encouraged and is expected to continue. However, there is a limited level of competition at a local level amongst the larger national firms. When the NOC contract was awarded, it meant that other larger firms left the West Coast, and they are now not represented locally anymore.

5.2.4 PROFESSIONAL SERVICES PROVIDERS

WDC does not have a fixed term contract in place for professional services, rather an in-house professional services business unit which provides professional engineering and management services to all asset-based activities.

The in-house team are complemented when necessary, by a range of professional services providers, the majority of these are based in Greymouth or Canterbury and include large national and international multidisciplinary organisations as well as smaller more specialist service providers.

External professional services are used for specific expertise to assist on works, for example:

- Traffic counting estimation and models.
- RAMM data support.
- Road and asset condition surveys.
- Safety assessments.
- Studies to inform programme development.
- Business case development.
- Geotechnical investigations.
- Structural calculations.
- Traffic engineering.

5.2.5 LOCAL SUPPLIERS

The wellbeing of local communities is highly dependent on the strength of local businesses. This is certainly the case in the Westland District, where maintaining attractive employment prospects and strengthening local suppliers' businesses provides the backbone of the regional economy.

Local suppliers are encouraged to tender as this creates healthy competition and discourages complacency or monopolies in small communities like Westland where opportunities for work can be limited.

To ensure unfair bias, a robust procurement process must be followed to ensure that tender evaluation and awarding is done in a fair way that meets Waka Kotahi requirements as well as the Westland District Council Procurement Policy.

5.2.6 SPECIALIST SUPPLIERS

Diversity and competition are less evident in specialised areas such as streetlight maintenance and road-marking, so careful attention is needed in these areas to ensure value for money – where direct competition is less likely to contribute to that goal.

5.2.7 COUNCIL CONTROLLED ORGANISATIONS

Westroads Limited (Westroads) is a Council Controlled Trading Organisation (CCTO), 100% owned by Westland District Council.

Westroads main activity is that of a general contractor, based in Hokitika and Greymouth, undertaking all types of civil construction, infrastructure and roading and provides such services to Council through maintenance and capital works contracts.

Westroads is subject to the same procurement procedures as other organisations working in the District and Council needs to maintain rigorous adherence to Waka Kotahi guidelines to ensure these are not compromised.

To ensure conflicts of interests are managed, large value contracts subsidised by Waka Kotahi are at times outsourced to external consultants to ensure the tender procurement process is fair and impartial.

5.3 High Risk or Unusual Procurement Activities

At this time WDC has not identified any particularly high-risk activities nor the need for unusual procurement activities that are not covered adequately by the Waka Kotahi Procurement Manual.

6 Approach to Delivering the Works Programmes

6.1 Specific Objectives

Delivering the works programmes outlined in Section 5 is intended to achieve council's vision and strategic objectives outlined in Section 4:

- To ensure purchasing decisions are consistent, transparent, fair, and lawful.
- To deliver procurement outcomes that meet the current and future needs of communities in a way that is most cost-effective for households and businesses.
- To ensure products, services, and works are fit for purpose and are procured using commercially astute and appropriate processes.
- Support sound environmental procurement and sustainability where feasible to do so.

These objectives support those of Waka Kotahi:

- Obtaining best value for money spent.
- Enabling persons to compete fairly for the right to supply outputs.
- Encouraging competitive and efficient markets.

6.2 The Procurement Approach

6.2.1 PROJECT STAGES

The diagram below outlines the stages of project delivery from planning through to implementation.

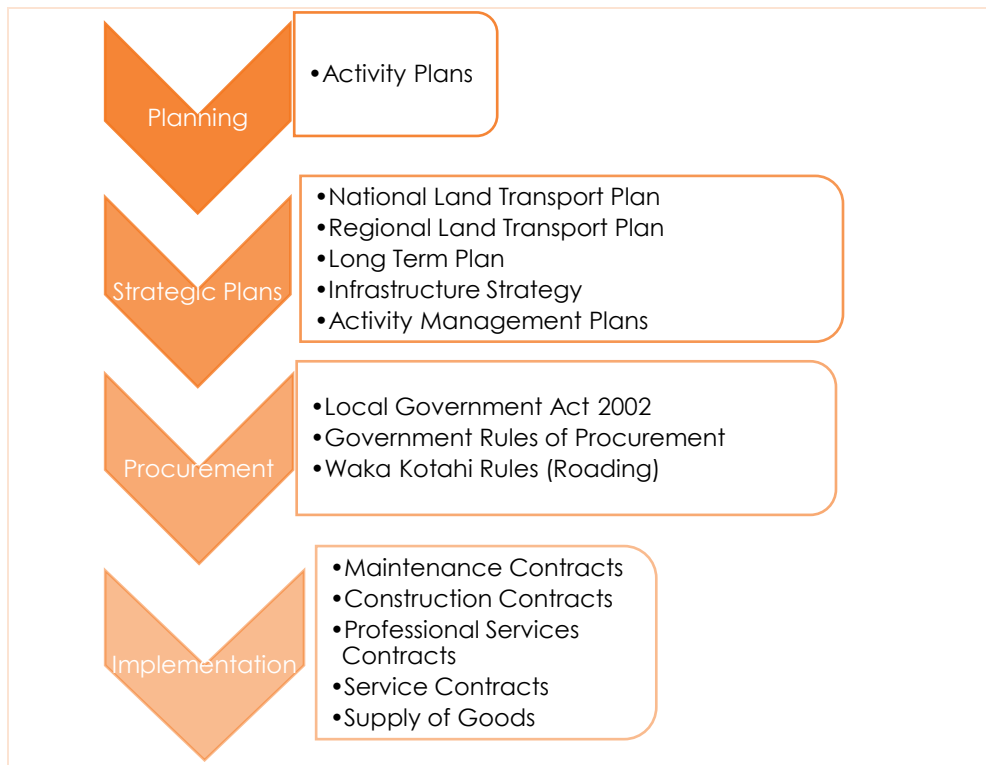


Figure 2: Stages of Project Delivery

WDC has in place Activity Management Plans for its core infrastructure activities for the three-year period from July 2021 to June 2024.

6.2.2 PROCUREMENT STAGES

The diagram below outlines the decision-making stages of procurement, from identification of a project through to developing the contract. This is of particular relevance to infrastructure works for Westland, but applicable to all activities.

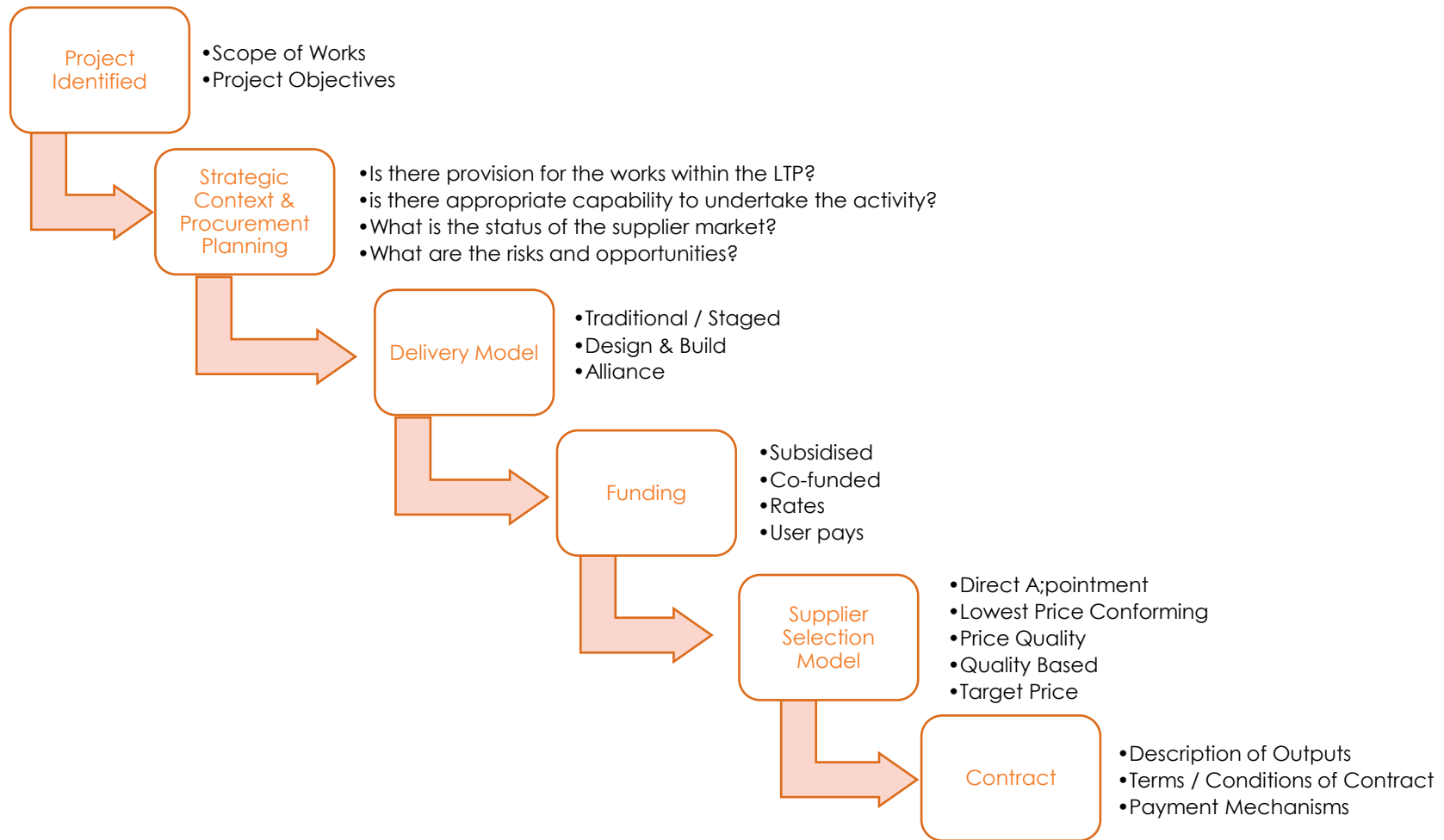


Figure 3: Stages of Procurement

6.3 Procurement Planning - General

Prior to the engagement of any supplier of goods or services, some form of procurement planning is required to ensure the best value for money. Such a process is relevant for any scale and complexity of contract but should be tailored appropriately.

The procurement planning process should include, as a minimum:

1. A review of the current contract:
 - a. Is it delivering on its objectives?
 - b. Are the appropriate levels of service being met? And
 - c. Are the agreed community outcomes being met?
2. Consideration of the Strategic Context:
 - a. Market circumstances;
 - b. Risks and comity of the proposal;
 - c. Opportunities for innovation;
 - d. Potential to integrate across other activities; and
 - e. Capacity and capability of Council officers to manage and deliver the procurement programme; and
3. How can delivery be improved?
 - a. Scope and cost of delivery;
 - b. Potential 'bundling' of works;
 - c. Alignment with other West Coast Councils;
 - d. Length of contract; and/or
 - e. Potential for local involvement.
4. Determination of the preferred format of Contract Delivery – *what type of contract will the works / services be delivered under?*
5. Determination of appropriate selection procedure – *how will the preferred supplier be decided?*

6.4 Forms of Delivery Model and Supplier Selection

6.4.1 PROCUREMENT PLANS

A procurement plan will be considered for the procurement of higher value and higher risk works or services, outlining the entire procurement process from identifying the need and objectives of the project through to how the preferred providers will be selected. It will consider:

- the best way to approach the procurement of the required services including:
 - how to approach the market.
 - how to evaluate submissions.
- risks associated with the procurement of those services so that they can be managed; and
- the timeline for procurement of the services.
- Budget

Refer to <https://www.procurement.govt.nz/procurement/guide-to-procurement/plan-your-procurement> for further information on preparing procurement plans.

6.4.2 DELIVERY MODELS


There is no “one size fits all” approach to procurement and Council favours a range of methods including:

- Comprehensive long-term contracts for maintenance works which require high levels of capacity, capability, and certainty.
- Smaller packages to enable smaller local suppliers to supply services to Council and their community.
- Larger packages for capital projects involving complex design, project management, and construction.
- The acknowledgement of the roles of specialists.

When choosing the appropriate procurement method, it is noted that some methods are governed by legislation. For example, the Land Transport Management Act 2003 requires certain procedures to be used for approved activities relating to transport.

The generally accepted forms of delivery comprise the models outlined in the table below which identifies typical characteristics for the key Forms of Delivery for infrastructure projects.

Table 10: Delivery Models

 Potential for Innovation Increases	Staged / Traditional
	Where the client wants to retain control over the programme of works, where delivery likely to be on a measure and value basis and where the client wants to encourage a healthy market environment with limited suppliers. <ul style="list-style-type: none"> • The Client has scope, schedule, and programme certainty. • Contract is simple / non-complex / low risk. • Small to medium sized contracts • Short, medium, or long-term contract duration with potential rollover. • Direct negotiation / lowest price conforming / price-quality / quality based methods of selection. • Method of payment typically measure and value.
	Design and Build
	Where the client wants to set performance measures and hold the contractor accountable for delivering them <ul style="list-style-type: none"> • To encourage innovation. • Contract more complex. • Medium to large sized contracts. • Typically price-quality methods of procurement. • Client has sufficient asset information for contractor to price contract. • Self-certification with client-controlled checks. • A well-balanced risk profile. • Certainty in expenditure and rates.
	Alliance / Collaborative model
	This form of delivery provides flexibility and risk sharing in a formalised 'team approach' with the contractor focused on network outcomes. <ul style="list-style-type: none"> • Flexibility and risk sharing. • Client wants to and has the capability to be directly involved in the contract. • Client is uncertain of contract scope, required performance and programme and/or needs to make significant cost savings.

- Large / complex contracts.
- Longer term contract duration with potential rollover.
- Price-quality methods of procurement.
- Sharing knowledge and experience.
- The Asset has a high rate of change.

Notes³:

An Alliance (shared risk form of delivery model) is considered an 'advanced delivery model' and will require approval from Waka Kotahi for land transport activities.

Price-quality (without disclosure of the estimate) and quality-based methods of selection are considered 'advanced methods of selection' and will require approval from Waka Kotahi for land transport activities.

6.4.3 EXPRESSION / REGISTRATION OF INTEREST

The tender process may, depending on the scale and complexity of the goods or services being purchased, include an initial Registration of Interest (ROI) or Expression of Interest (EOI) phase as a means of establishing more information about the goods or services, the market and the capability of suppliers to satisfy the procurement need.

It may also be used as a means of selecting a short-list of organisations for the RFT/RFP phase.

This stage would be followed by a Request for Proposal (RFP) or Request for Tender (RFT).

6.4.4 REGISTER OF SUPPLIERS

A Register of Suppliers can be used for low dollar value contracts where direct appointment or closed contest methods of selection can be used.

A register gives all suppliers the opportunity to indicate their interest and availability to the Council. This mitigates some of the negative effects that closed contests or direct appointments have on open and competitive markets.

6.4.5 PANEL OF PREFERRED SUPPLIERS

The supplier panel model enables the purchaser to appoint a range of suppliers that, as a panel, offer the best combination of skills and experience required to deliver the outputs.

With a relatively small marketplace, the establishment of such a panel may facilitate the assignment of minor works to local contractors, in particular for the non-core activities such as trades (plumbing and electrical works).

This delivery model uses a two-stage process. In the first stage, suppliers are appointed to the panel. In the second stage, tasks are allocated to panel members either by direct appointment to a preferred panel member or through a competitive process involving two or more panel members.

A Panel of Preferred Suppliers reduces the need for repeated processes in selecting suppliers with associated time and cost savings to all parties.

Such an arrangement is effectively in place for many suppliers through the 'All of Government Contracts' process used by Council.

Hence, the extent of such a panel/s and the type of works to be included would need to be assessed and agreed.

³ Refer Section 10.5 NZTA Procurement Manual

Note⁴:

A Supplier Panel delivery model is considered an 'advanced delivery model' and will require approval from Waka Kotahi for land transport activities.

6.4.6 PREQUALIFICATION SYSTEMS

A prequalification system uses a 2-stage process to selecting suppliers for particular works / services.

Suppliers on a prequalification register must have met the criteria specified by the Council for particular types of work or services and are then not required to resubmit generic information with every proposal they submit in response to a Request for Proposal (RFP).

Prequalification systems are typically used for routine works and services with the lowest price conforming supplier selection method.

Note that a supplier prequalification system and a supplier panel delivery model are sometimes confused. The fundamental difference relates to the way in which suppliers are placed on a panel as opposed to a prequalification register. To be on a panel, a supplier must compete against others and win a place; to be on a prequalification register, a supplier.

⁴ Refer Section 10.5 NZTA Procurement Manual

6.4.7 FINANCIAL THRESHOLDS & DESCRIPTIONS

WDC standard procurement processes for both physical works and professional services are based primarily on monetary thresholds. The table below summarises the typical procurement options and thresholds:

Table 11: WDC Procurement Thresholds

CONTRACT VALUE	\$0 - \$100,000	\$100,000 - \$200,000	OVER \$200,000	GENERAL DESCRIPTION	
METHOD OF SELECTION					
DIRECT APPOINTMENT / PREFERRED SUPPLIER	√	x	x	<p>In some circumstances, goods, works and services may be secured through direct negotiation typically based on tendered rates where available. Such options may be provided for through other contracts such as renewals works being procured through maintenance contracts.</p> <p>Direct negotiations and appointments may also be made where there is a monopoly supplier or where the costs and benefits of competition may not provide value for money.</p>	
CLOSED CONTEST / INVITED TENDER	√	√	x	<p>An invited or closed tender is the same as a public tender with the exception that the invitation to tender is limited to a selected panel of potential tenderers / proposers.</p> <p>Where a closed contest identifies only two willing and able suppliers, despite reasonable efforts to identify a minimum of three, the supplier selection process may proceed with the two that have been identified. Suppliers will be procured using one of the available supplier selection methods.</p> <p>Where a register of preferred suppliers is in place, invitations to participate in a closed tender must be sent to all current suppliers on the register.</p> <p><i>If only one supplier is identified, the Council may negotiate the terms, including price, of a contract with that supplier using the direct appointment supplier selection method.</i></p>	<p><i>Supplier Selection Method</i></p> <ul style="list-style-type: none"> • <i>Lowest Price Conforming</i> • <i>Price Quality</i> • <i>Quality Based</i> • <i>Target Price</i>
PUBLIC (OPEN) TENDER	√	√	√	<p>All contracts for the supply of works and services that are likely to involve the Council in expenditure of \$200,000 or more shall be put to open tender.</p>	<p><i>Supplier Selection Method</i></p>

CONTRACT VALUE	\$0 - \$100,000	\$100,000 - \$200,000	OVER \$200,000	GENERAL DESCRIPTION	
METHOD OF SELECTION					
				<p>Tenders will comprise a Request for Proposal (RFP) or Request for Tender (RFT). An RFP is typically used where the outcome desired can be specified but Council is willing to accept alternatives methods of achieving the outcome and is seeking innovation on the part of the suppliers. An RFT is used where the specification or requirements are clearly defined and there is little room for flexibility or innovation.</p> <p><i>For reinstatement works after an emergency (such as flooding events), Council may call for quotations or order the work directly in lieu of inviting tenders under this strategy. Under the NZTA Procurement Manual, for roading activities, this is permitted providing that permanent reinstatement / solutions are subject to the normal procurement processes.</i></p>	<ul style="list-style-type: none"> • <i>Lowest Price Conforming</i> • <i>Price Quality</i> • <i>Quality Based</i> • <i>Target Price</i>
Approved Procurement Plan	√	√	√	<p>Where an officer assesses that the procurement processes in this Strategy are not appropriate for a project; for example there are insufficient qualified suppliers available to undertake a tender pursuant to this Strategy (or in accordance with the NZTA Procurement Manual for funded roading projects), or the matter involves proprietary products that are not amenable to tender, then a procurement plan will be prepared outlining the approach proposed to obtain the best overall result for WDC. This plan must be approved in accordance with WDC delegations and by NZTA for co-funded projects.</p>	

Notes:

Price-quality (without disclosure of the estimate) and quality-based methods of selection are considered 'advanced methods of selection' and will require approval from Waka Kotahi for land transport activities.

For all subsidised roading contracts, the Waka Kotahi Procurement Manual must be compiled with.

6.5 Tender Procedures

6.5.1 GENERAL

Council's tender documents / requests for proposals should include, but not be limited to:

- Scope / specification of works, services, or goods.
- Payment schedule and payment mechanisms.
- Duration of contract.
- Conditions of contract / Terms of Agreement.
- Evaluation criteria.
- Time of closing of tender / proposal.

6.5.2 SUPPLIER SELECTION METHOD

A number of evaluation methods are used as generally outlined below.

For all subsidised roading contracts, the Waka Kotahi Procurement Manual should be complied with.

Table 12: Supplier Selection Methods

Method	Discussion
Negotiation	Works < \$100,000 Low risk / small scale / non-complex works
Lowest Price Conforming	Low risk / non-complex works Lowest price conforming should be used where it is determined that best value for money will be obtained by having suppliers compete on price alone. The preferred supplier is the supplier that offers the lowest price and meets all the minimum requirements specified
Quality Price	The quality attributes of suppliers are scored and balanced against price through a specified formula to determine the preferred supplier. Council is effectively willing to pay a premium for a higher quality service.
Quality Based	The preferred supplier is selected solely on quality through non-price attributes. A price is then negotiated with the preferred supplier, based on their price proposal, submitted with the tender. The quality-based method should be used where it has been determined that the best value for money will be obtained by selecting the supplier on the basis of supplier quality alone. There is no competition on price.
Target Price	Where Council is unable to specify the outputs required but has a budget and can specify the desired outcomes Best value for money is then obtained by selecting the supplier that provides the best proposal for the price set out in the RFP

7 Procurement Risk

WDC aims to get the right balance between risk and expected benefit – to be risk aware, not necessarily risk averse.

For infrastructure activities, specific risks relating to the Activity can be found in the relevant Activity Management Plan.

The table below outline potential risks associated with the procurement process, the likely consequences of that risk, and identifies action that can be taken to eliminate, isolate, or minimise that risk.

Key to most risks is staff development and training in procurement procedures.

Table 13: Procurement Risks

PROCUREMENT RISK	LIKELY CONSEQUENCES	ACTION
Identifying the Need / Planning		
Not fully understanding the need	<ul style="list-style-type: none"> • Purchase of unsuitable product or service. • Money wasted. • Lack of tenders. 	<ul style="list-style-type: none"> • Procurement planning. • Develop clear scope of work / outcomes. • Set appropriate timeframes. • Consult with users.
Insufficient funding	<ul style="list-style-type: none"> • Delay in making the purchase. • Additional costs for re-tender. 	<ul style="list-style-type: none"> • Obtain appropriate approvals before undertaking process. • Improve planning.
Selecting the Form of Delivery / Method of Selection		
Failure to identify potential sources / suppliers	<ul style="list-style-type: none"> • Lack of offers from suitable tenderers. 	<ul style="list-style-type: none"> • Procurement planning. • Improve market knowledge. • Seek industry participation.
Inappropriate form of delivery or selection method used	<ul style="list-style-type: none"> • May not select best supplier. • Failure to obtain value for money. 	<ul style="list-style-type: none"> • Procurement planning. • Seek review of selection method.
Contract Documentation		
Inadequate scope / specification / schedule Providing inadequate information	<ul style="list-style-type: none"> • Inadequate responses from tenderers. • Outcomes not met. • Variety of offers (difficult to evaluate). • Loading of costs in offers. • Having to provide clarifying information – delays and additional tender costs. 	<ul style="list-style-type: none"> • Ensure specification is consistent with needs. • Staff training in contract documentation prep. • Review tender documents before issuing. • Engage external support where there is insufficient in-house capacity / capability
Terms and conditions unacceptable to tenderers	<ul style="list-style-type: none"> • Loading of costs in offers. • Tender tags • Low response. 	<ul style="list-style-type: none"> • Use standard conditions of contract (e.g. NZS3910 for construction contracts).
Tender Procedures		

PROCUREMENT RISK	LIKELY CONSEQUENCES	ACTION
Insufficient number of responses	<ul style="list-style-type: none"> • Re-tender. • Increased costs. • Delayed delivery to the client. • Poor value for money due to limited competition. 	<ul style="list-style-type: none"> • Assess advertising methods. • Improve market knowledge. • Advance notice of tender requests. • Allow sufficient time for tenderers to respond. • Seek feedback from known suppliers on their non-response.
Failure to fully follow evaluation procedures	<ul style="list-style-type: none"> • Inconsistent evaluations. • Subjective not objective evaluation of offers. • Probity Issues. 	<ul style="list-style-type: none"> • Clear evaluation methods and criteria. • Ensure that TET Understand confidentiality obligations.
Selecting an inappropriate supplier	<ul style="list-style-type: none"> • May not select best supplier. • Failure to fulfil the contract. 	<ul style="list-style-type: none"> • Clear evaluation methods and criteria. • Set minimum requirements for evaluation (Pass/Fail criteria). • Appropriate tender evaluation team
Local supplier not successful	<ul style="list-style-type: none"> • Public perception and reality of loss to local economy. 	<ul style="list-style-type: none"> • Management of local economy issues within the contract document.
Contract Management		
Variations	<ul style="list-style-type: none"> • Unanticipated cost increases. • Delays in delivery. • Contract disputes. 	<ul style="list-style-type: none"> • Review contract document prior to release. • Accurate records. • Include process for assessing variations.
Poor contract management	<ul style="list-style-type: none"> • Cost increases. • Outcomes not achieved. • Delivery of unsatisfactory product / service. • Contract/supply disputes. 	<ul style="list-style-type: none"> • Maintain good practice. • Staff know responsibilities and accountabilities and are suitably trained & experienced in contract management. • Relationship management • Good record keeping and documentation.
Key personnel not available	<ul style="list-style-type: none"> • Outcomes not met. • Progress disrupted. • Less expertise. 	<ul style="list-style-type: none"> • Include requirement in specification and ensure compliance. • Provision in contract for 'vetting' alternative personnel

8 Management & Implementation

8.1 Organisation Structure – District Assets

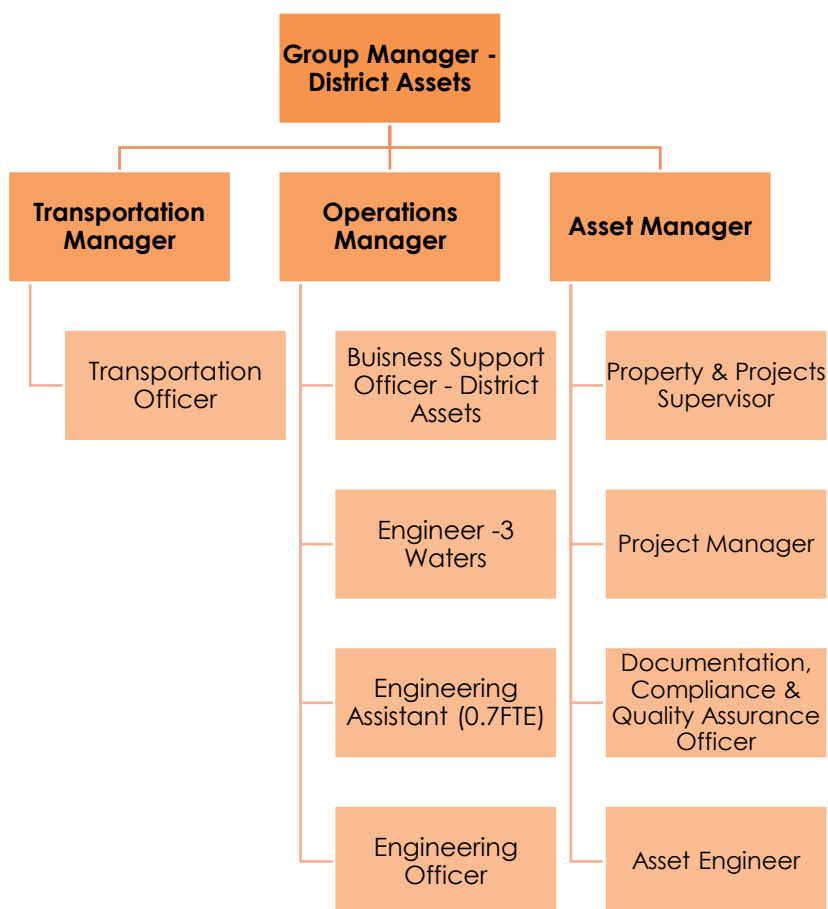


Figure 4: Organisation Structure – District Assets

Staff under the Operations Manager and Asset Manager also provide a supporting role to the transportation Manager, as and when required.

8.2 Conditions of Contract

There are three standard Conditions of Contract typically used for physical works in Westland:

Conditions	Use
NZS 3910 Conditions of contract for building and civil engineering construction	Typically used for renewals and capital works projects
NZS 3917 Conditions of contract for building and civil engineering - Fixed term	Typically used for operations and maintenance contracts (term contracts)
NZS 3916 Conditions of contract for building and civil engineering – Design and construct	Design and Build Contracts

Professional services are typically procured using:

- Conditions of Contract for Consultancy Services (4th edition 2017)
- Short Form Agreement for Consultant Engagement (ACENZ / ENZ)

8.3 Health and Safety

The health and safety implications of any proposed procurement should be assessed before, during and after the procurement with particular emphasis on the following:

- Ensure the importance of workplace safety is reflected in all procurement and selection criteria and/or decisions where appropriate.
- During procurement, identify hazards and risks associated with the works, goods or services.

Health and safety standards shall be set for each contract with minimum standards relative to the risk of the project.

Costs will only take precedence over health and safety when the cost of eliminating a health and safety risk is “grossly disproportionate” to the risk itself.

8.4 Contract Management Approach

WDC is a small sized local authority with capable but limited resources. Council is continually working towards upskilling and retaining staff.

Council uses a mix of its own staff and external resources (where appropriate) to deliver levels of service and achieve associated planning and programmes.

Physical Works Contracts and Asset Management are generally managed through Council staff. Suppliers with quality systems and self-auditing processes enable Council to be assured quality is not compromised with less supervision.

WDC is currently developing a Joint Collaboration and Capability Business Case with Buller and Grey District Council. This looks to build on the already-established collaborative relationship across the three West Coast Councils and address capability and capacity gaps in the region. At the time of writing, it is anticipated that the preferred way forward will be the establishment of a regional ‘centre of excellence’, providing network and asset management services through a mix of in-house and external resources.

8.5 Performance Monitoring

In line with the requirements of the NZTA Procurement Manual, WDC intends to align its performance measures and monitoring of the following indicators to determine the success of this strategy.

Key result Area (KRA)	Performance indicator	Measure
Value for money	Quality	WDC satisfaction with goods and services procured
	Contract Audits	Audit levels on value for money
	Quality, time and budget measures	Develop KPIs within contracts
	Levels of service	DIA measures
	Benchmarking indicators / PACE evaluations (land transport activity)	REG Performance Measures reporting Tool / Develop key PACE measures to assess performance across the maintenance contracts
Market Considerations	Fairness	Whether or not the supplier selection process was an open or a closed

Key result Area (KRA)	Performance indicator	Measure
		contest, and the reasons for these decisions
	Innovation	Whether alternative bids that add value for money were permitted; whether alternative bids were received and accepted or rejected; what added value alternative bids realise and their cost
Efficiency of procurement procedures	<ul style="list-style-type: none"> Number of bids received 	<ul style="list-style-type: none"> Number of bids received
Compliance with procurement procedures	<ul style="list-style-type: none"> How well Council is complying with Strategy 	<ul style="list-style-type: none"> Number of complaints received regarding the procurement process

As it takes time to collect data to measure performance, it is intended that this analysis will be undertaken mid-way through the 3 year strategy cycle, at the end of the life this strategy, and as part of the development/review of the next strategy to measure the success of this Procurement Strategy.

A Section 17A service delivery review will be required before the end of term maintenance contracts and this review will consider the cost effectiveness of the current arrangements.

WDC will continue to rely on Waka Kotahi audits to ensure compliance with procedural and technical requirements and performance with other RCAs.

Overall success is measured by achievement of the approved programme in the NLTP. WDC will continue to monitor a range of criteria through its Long-Term Plan processes. This includes performance measures in pavement and surface condition, health and safety, financial performance, technical measures, and customer satisfaction.

8.6 Communication

8.6.1 GENERAL

The Procurement Strategy will be made available to the public through the Council's website.

8.6.2 ELECTED MEMBERS

Formal reports are provided when decisions are required relating to funding or policy matters. The key 'informing' documents from a procurement perspective are the LTP and relevant Activity Management Plan that sets the scene for the ensuing 10 years.

Monthly updates are provided as appropriate through Council meetings.

8.6.3 WDC MANAGEMENT

Management and other staff have access to all the same reports as Councillors including detailed Activity Management Plans.

The size of our organisation is such that most communication between staff and departments is informal, with regular team meetings, and email the most common form of written communication.

8.6.4 OTHER APPROVED ORGANISATIONS & SUPPLIERS

WDC maintains extensive engagement with Waka Kotahi (State Highways), Grey and Buller District Council through Regional Land Transport groups.

Council staff communicates with other approved organisations and suppliers through a range of forums such as RCA Forum, LGNZ, IPWEA, Engineering NZ and numerous courses, presentations etc throughout the year.

Council staff (and consultants/contractors) are encouraged to gain knowledge and share experiences from outside the region, such as involvement on reference groups, working parties etc.

Formal communication to the market of proposed programmes is through the LTP.

8.7 Delegations

No person shall enter into a contract or funding arrangement (including purchasing of goods and services) on behalf of WDC unless:

- they have specific delegation to do so; and
- the works, goods and / or services are within budget as set out in the LTP / Annual Plan or by formal resolution of Council.

8.8 Interaction with Other Documentation

This Procurement Strategy is linked to Council and Waka Kotahi's wider planning framework as well as implementation rules and guides including:

- Financial delegations.
- Waka Kotahi Programming Planning and Funding Manual.
- Waka Kotahi Procurement Manual.
- WDC Procurement Policy.

8.9 Review and Improvement

Council acknowledges there are opportunities to improve this strategy and procurement processes.

The following procurement items have been identified as future actions:

- West Coast Councils Combined Procurement Strategy (Roading) which could extend to be 'business wide.'
- Continued staff development in the areas of procurement and asset knowledge.
- This Procurement Strategy will be reviewed on a tri-annual basis.
- Recommendations from s17A service delivery reviews will be incorporated as they are undertaken and as appropriate.

15/11/2023

Karl Jackson
Transportation Manager
Westland District Council
36 Weld Street
Westport 7810

Dear Karl

Transport Activity Procurement Strategy Reminder of Expiry

Waka Kotahi NZ Transport Agency's (Waka Kotahi) Procurement Manual requires approved organisations to review their Procurement Strategy at a minimum once every three years and ensure that they always remain fit for purpose.

Westland District Council Procurement Strategy's endorsement will expire on 31 May 2024.

The Waka Kotahi Procurement Manual provides guidance to approved organisations on how to develop a procurement strategy that covers a long-term integrated approach to the procurement of a programme of activities funded from the National Land Transport Fund (NLTF) in section 4.4.

You are encouraged to discuss this matter with your Waka Kotahi Investment Advisor who will be able to provide valuable support and assistance as you develop your Procurement Strategy.

You should ensure that you submit a new or revised Procurement Strategy for endorsement 40 working days prior to the expiry date of your current Procurement Strategy to ensure that you have an endorsed Procurement Strategy that is fit for purpose, at all times.

In addition, we would like to draw your attention to the following matters:

1. The new or revised Procurement Strategy must consider the content of [General Circular 19/03 dated 1 October 2019](#), including changes to the Government Procurement Rules, Broader Outcomes and Public Value. Additional information about Broader Outcomes is available [here](#) including the [Framework for Delivering Broader Outcomes](#).
2. The new or revised Procurement Strategy must include a focus on improved health and safety outcomes.

If you would like to discuss this matter further, please do not hesitate to contact Phil Walker directly on 021 633 986.

Yours sincerely



Phil Walker
Approved Organisations, Senior Procurement Advisor

Framework for Delivering Broader Outcomes

Ka ora ai te iwi - Greater public value through procurement



ACKNOWLEDGEMENTS

This *Framework for Delivering Broader Outcomes* (Framework) has been collaboratively developed with a government inter-agency Broader Outcomes Framework Working Group, led by the Waka Kotahi NZ Transport Agency (Waka Kotahi).

The Broader Outcomes Framework Working Group wishes to acknowledge the many New Zealand agencies and organisations who have contributed their expertise, guidance and case insights to enable the development of this Framework, especially:

Auckland Council
Auckland Transport
Department of Corrections
Inland Revenue Department
Kāinga Ora (previously Housing New Zealand)
Ministry of Business, Innovation and Employment (New Zealand Government Procurement and Property Branch)
Ministry of Education
Ministry of Social Development
New Zealand Employment
Te Puni Kōkiri, Ministry of Māori Development
The Treasury

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NZ Transport Agency
If you have further queries,
call 0800 699 000 or
email us at: procurement@nzta.govt.nz

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FOREWORD



As the Procurement Functional Leader, I am pleased to see the Framework for Delivering Broader Outcomes. The framework is an example of good collaboration among agencies to develop practice guidance and a resource for public sector agencies seeking to achieve broader outcomes from their procurement spend.

With the public sector spending approximately \$42 billion per year with third party suppliers, government procurement can make a significant contribution to the wellbeing of New Zealanders by leveraging our spend to deliver effective public services, as well as wider social, economic, cultural and environmental outcomes.

To realise the benefits from our collective spend, it is critical that agencies continue to demonstrate leadership and good procurement practices in implementing broader outcomes. It's an opportunity to make a real difference in the communities we serve.



Carolyn Tremain
Chief Executive
Ministry Business Innovation and Employment



Here at Waka Kotahi , we're excited at the opportunity Broader Outcomes presents.

Our Transport System connects our communities to social and economic opportunities, and together with the active pursuit of Broader Outcomes, we can leave even greater taonga for our current and future generations.

I'm particularly proud of this Framework for Delivering Broader Outcomes. It is a great example of public sector Government agencies working alongside each other in the development of this document.

By developing clear, consistent approaches we can make an even bigger impact together and we are committed to doing more of this.

We're looking forward to the continued collaboration and the sharing of stories as we bring the delivery of Broader Outcomes to life together.



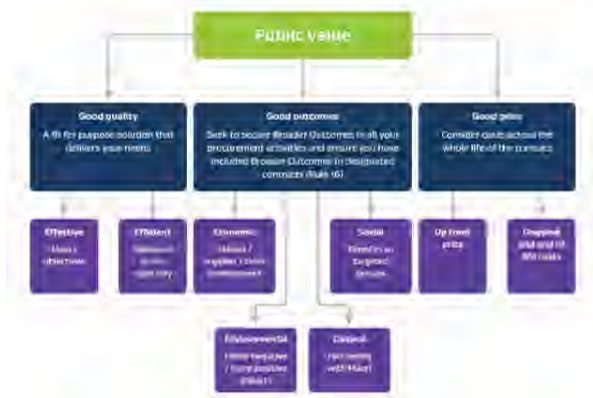
Nicole Rosie
Chief Executive
Waka Kotahi NZ Transport Agency



OVERVIEW OF THIS FRAMEWORK

Introduction

- How this *Framework* supports the *Broader Outcomes*



Government's initial priority
Broader Outcomes

1. Access for New Zealand businesses
2. Construction sector skills and training
3. Employment standards and health and safety
4. Reducing emissions and waste

Part A: The Framework

- Objectives within the *Framework* for delivering *Broader Outcomes*



Part B: Implementation Guidance

- Guidance on incorporating into *Agency procurement activity*



Some words, abbreviations and acronyms used in the *Framework* have a special meaning and are marked in *italics* or capitalised. Definitions are provided in the Glossary.

Part C: Reference

- Related legislation, policies and initiatives
- Case insights
- Glossary

INTRODUCTION

Nāu te rourou, nāku te rourou, ka ora ai te iwi

With your food basket and my food basket the people will prosper

This whakataukī (saying) embodies the notion that while working alone to achieve an outcome may provide a benefit, working together to achieve broader outcomes can enable people to thrive and prosper.

The New Zealand *government* spends approximately \$41 billion each year on *goods, services* and *works* through *procurement*. This equates to about 18% of New Zealand's Gross Domestic Product (GDP).

New Zealand is committed to open, transparent and competitive government *procurement* that: delivers *public value* (by including *broader outcomes*), does not discriminate against *suppliers* (whether domestic or international) and meets agreed international standards. The Government recognises that it can better use its buying power to deliver improved social, economic, environmental and cultural outcomes for the benefit of all New Zealanders. This means using *procurement* practices that incorporate *broader outcomes* to achieve the best possible result from *procurement*.

The *Government Procurement Rules* set the standard of best practice for government *agencies*. To responsibly procure, *agencies* must achieve *public value* which includes any *broader outcomes* that *agencies* are seeking to achieve. For instance, *agencies* can use *procurement* as a lever to reduce negative environmental impacts, develop *suppliers*, and promote regional and economic outcomes. The ability and responsibility to achieve *public value* through *procurement* is applicable to everyone involved in *procurement* processes within an *agency*, not just the *procurement* team.

The principle of *public value* means getting the best possible result for New Zealand from your *procurement*, using resources effectively, economically and responsibly (without waste), and taking into account: the total costs and benefits of a *procurement* (total cost of ownership), and its contribution to the results that are sought.

Broader outcomes are the secondary benefits that are generated by the way a *good, service* or *works* is produced or delivered. These outcomes can be social, environmental, cultural or economic, and will deliver long term *public value* for New Zealand. *Broader outcomes* require consideration not only the whole-of-life cost of the *procurement*, but also the costs and benefits to society, the environment and the economy.

Cabinet has taken a targeted approach to leveraging *broader outcomes* and is placing requirements on *agencies* to leverage a priority set of *broader outcomes*. These outcome areas are:

- increase New Zealand businesses' access to government procurement: increasing the number of New Zealand businesses contracting directly to government, and within the supply chain. This includes *Māori businesses* and *Pasifika businesses*
- increase the size and skill level of the domestic construction sector workforce: the government is leveraging procurement through construction to encourage businesses to increase the size and skills of their workforces
- improve conditions for workers and future-proof the ability of New Zealand businesses to trade: this priority protects workers from unfair and unsafe behaviour, and incentivises well-performing firms while ensuring they are not undercut by firms who have reduced costs through poor labour practices
- support the transition to a net zero emissions economy and assist the Government to meet its goal of significant reduction in waste by 2020 and beyond.

Agencies are also encouraged to seek additional *broader outcomes* voluntarily.

This *Framework* has been designed to provide a practical and consistent model to enable the effective delivery of *broader outcomes*, including the mandated priority *broader outcomes* as part of a robust approach to strategic *procurement*. In the New Zealand context, when *Government* uses its buying power to deliver *public value* through the objectives of this *Framework*, beyond the value of the *goods, services* or *works* being purchased, it is referred to as *broader outcomes*.

Similar to New Zealand, there is growing work in international jurisdictions aimed at achieving greater value from public sector *procurement activity*, e.g. in the United Kingdom and Australia. Internationally, this is referred to as *social procurement* or *sustainable procurement*. Within New Zealand, Auckland Council Group, Kainga Ora and Waka Kotahi are examples of *agencies* who are leading work in *social procurement*. In addition, the Local Government Act

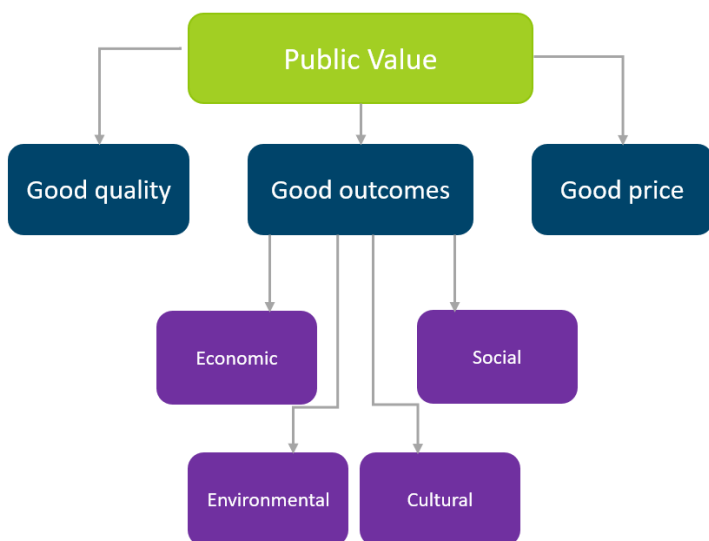
has been amended with the Local Government (Community Well-being) Amendment Act 2019, which provides for local authorities to play a broad role in promoting the social, economic, environmental, and cultural well-being of their communities, taking a sustainable development approach.

PURPOSE

The *Framework* enables a consistent approach to delivering *public value* through *government procurement of goods, services and works*. It has been established to:

- Complement and build off *Government’s broader outcomes* objectives;
- Enable effective targeting of priority objectives for the greater good of all New Zealanders, including requirements under the *Government Procurement Rules* and the *broader outcomes* as well as other *government* policy initiatives;
- Enable consistency and transparency in definitions, processes and expectations;
- Provide a structure that can be adapted across different *agencies*, activity tiers, *procurement* categories and regions;
- Provide guidance to assist *agencies* with implementing *broader outcomes*;
- Encourage *suppliers* to actively deliver *public value*; and
- Support the sustainable development of *government* and market capability.

This *Framework* and associated guidance materials will be periodically



reviewed and updated. It is designed so that any *government agency* can adapt and incorporate it into their internal policies for the *procurement of goods, services and works*.

The *Framework* must be read alongside the *Government Procurement Rules*, the *broader outcomes* requirements and associated guidance, general *procurement* good practice guidance, and relevant law.

Government’s initial priority *Broader Outcomes*

The updated *Government Procurement Rules* include requirements to leverage the following *broader outcomes* from *agency procurement activities* and identified specific contracts or sectors.

1. Access for New Zealand businesses

Increase New Zealand businesses’ access to government procurement: increasing the number of New Zealand businesses contracting directly to government, and within the supply chain. This includes Māori businesses and Pasifika businesses

2. Construction sector skills and training

Increase the size and skill level of the domestic construction sector workforce: the *Government* is leveraging procurement through construction to encourage businesses to increase the size and skills of their workforces

Employment standards and health and safety

Improve conditions for workers and future-proof the ability of New Zealand businesses to trade: this priority protects workers from unfair and unsafe behaviour, and incentivises well-performing firms while ensuring they are not undercut by firms who have reduced costs through poor labour practices

3. Reducing emissions and waste

Support the transition to a net zero emissions economy and assist the *Government* meet its goal of significant reduction in waste by 2020.

Supporting Government's Priorities and Other Objectives

In addition to the *priority outcomes*, the *Framework* can be used to consider other important *government* policies and initiatives, including:

- Development of a diverse *supplier* base that includes *Māori and Pasifika enterprises*, non-governmental organisations (NGO) and the *social enterprise* sector;
- Addressing gender equity and diversity in the workplace;
- Employment opportunities for targeted groups including Māori, Pasifika peoples, women, people with disability and young people not engaged in employment, education or training (NEET);
- Affirming *Government's* commitment to tackling forced labour and other forms of modern slavery; and
- Ensuring that New Zealand workers have the income necessary to provide for the basic necessities of life.

Information and guidance specific to the *broader outcomes* prepared by MBIE is available at: <https://www.procurement.govt.nz/broader-outcomes/>.

Objectives within the Framework for delivering Broader Outcomes

The *Framework* has identified seven objectives that incorporate the priority *broader outcomes* as well as advance other *government* policies and initiatives. These seven objectives are not exhaustive; *agencies* should consider benefits to New Zealand that might be achievable even if not one of the seven objectives listed below. It is important that the outcomes are connected to the procurement and realistically deliverable by the supply market.

While having individual importance, these objectives may overlap or be co-dependent. For example: A priority outcome is to increase the size and skill level of the domestic construction sector workforce. By focussing on the skills and workforce development objective and purchasing from *suppliers* who are developing apprenticeships in construction, the priority outcome can be delivered as well as alignment to the *broader outcomes* of social and economic outcomes.



Scope of Application

The *Framework* is intended for use by:

- *Buyers* - the individual(s) responsible for planning, creating, sourcing, and/or approving *procurement* of *goods, services* or *works* by, or on behalf of, an *agency*; and
- *Contract managers* - the individual(s) responsible for planning and managing a contract for *goods, services* or *works* for, or on behalf of, an *agency*.

Suppliers, including *sub-contractors*, and industry representative bodies, may consider this *Framework* to:

- Ensure they are familiar with *government's* commitment to *public value* through *procurement*; and
- Collaboratively work with *government* and the supply chain to support delivery of *public value*.

Embedding Broader Outcomes into Government Procurement

Achieving *public value* signals an evolution of *government's procurement* practice. It means making *broader outcomes* everyday *procurement* practice for *agencies* and maturing New Zealand's *broader outcomes procurement* ecosystem. Using this *Framework* can support the successful implementation of *broader outcomes* in *government procurement activity* and the achievement of *public value*.

Six key areas are identified as needing a continued focus over time to ensure *broader outcomes* are successfully embedded:

- Driving and demonstrating delivery of *broader outcomes* through *procurement activity* and reporting by *agencies*;
- Enforcing the targeted approach to maximise the effects of the *broader outcomes* through delivering to the identified priority outcomes;
- Provision of ongoing guidance for *government buyers*, *contract managers* and *agencies'* boards, chief executives and senior leaders;
- Building *broader outcomes* capability for *government buyers* and *contract managers* with a focus on providing education, establishing appropriate guidance and tools, and maintaining open dialogue and engagement; and
- Supporting *suppliers* and industry to gain a consistent understanding of the *broader outcomes* principles and practices and to enable them to effectively participate in and maximise the benefits offered by the *Framework*.
- Ongoing support and buy-in from *agencies'* boards, chief executives and senior leaders.

Implementing the Framework in Government Agencies

The *Framework* includes practical guidance to help *agencies* implement *broader outcomes* in their organisation-wide *procurement* planning and individual *procurement* activities, including how to:

- Develop an *agency-wide broader outcomes strategy*;
- Develop a *broader outcomes plan* for individual *procurement* activities;
- Specify *broader outcomes* requirements;
- Establish *broader outcomes* evaluation criteria;
- Manage contracts and relationship to achieve *broader outcomes*; and
- Measure and report on achievements against the established objectives.

Broader Outcomes? Social Procurement? Community Well-Being?

All refer to the same thing in this Framework

Globally, *social procurement* has been defined as using buying power to deliver *value* beyond the value of the *goods*, *services* or *works* being purchased.

New Zealand Government uses: *Broader Outcomes*.

Local Government uses: *Community well-being*.

Incorporating *Broader Outcomes* (*Social Procurement* or *Community Well-being*) objectives into *procurement* practice provides the opportunity to achieve the best possible result from *procurement* beyond the immediate purchase of *goods*, *services* or *works* or favouring the lowest price.

PART A: THE FRAMEWORK

1. Why have a Framework?

Providing a framework to assist *agencies* to achieve broader outcomes through *procurement*

The *Government Procurement Rules* include requirements to consider and incorporate *broader outcomes* into *procurement*, where appropriate. The *Government* has publicly signalled that *procurement* can and should be used to support wider social, economic, environmental and cultural outcomes that go beyond the immediate purchase of *goods, services* and *works*.

Enable effective targeting of priority outcomes

This *Framework* helps to mobilise *procurement* to advance priority outcomes in designated contracts as well as other *broader outcomes*, including opportunities for targeted groups such as Māori, Pasifika peoples, women, *social enterprises*, people with disability, youth not in employment, education or training (NEET), New Zealand's regions and the environment.

Enable consistency and transparency in definitions and approaches

Government is committed to *procurement* policy and processes that are consistent and predictable, making it easier for *agencies* and *suppliers* to engage with each other. This *Framework* establishes a shared understanding of how to consistently deliver improved *public value*.

Provide a structure that can enable *broader outcomes* to be adapted across different agencies, *procurement* categories and regions

No two New Zealand *government agencies* are the same and *broader outcomes* opportunities may look different from one *agency* to another. This *Framework* allows all *agencies* to flexibly consider and deliver *public value* based on the unique opportunities that can be pursued specific to the *agency*.

Encourage *suppliers* to actively deliver *public value*

Government wants to collaborate with *suppliers* who aspire to find opportunities for common solutions in conjunction with likeminded groups. This *Framework* demonstrates to the market and *suppliers* what the *government* is looking for and the types of *suppliers* it wants to do business with – those that are open to improving *public value* when doing business with *government*.

Support the sustainable development of government and market capability

Engagement with open dialogue is needed to support *agencies* and *suppliers* to work in new ways, work with each other, and diversify *suppliers* across the supply chain if *public value* is to be achieved. This *Framework* establishes the key implementation pathways that support *broader outcomes* capability with a focus on longer term outcomes and benefits for *government, suppliers* and New Zealand.

What are Social Enterprises?

Social enterprises play an increasingly important role in creating jobs and training opportunities, responding to locally important issues and advancing environmental outcomes.

The Ākina Foundation (www.akina.org.nz) uses three key areas to define a *social enterprise* – the social, cultural and/or environmental mission provides a public or community benefit that is the primary purpose of the organisation; the majority of income is from trading a good or a service; and the majority of either expenditure or profit is spent in the fulfilment of the purpose of the organisation.

1.1 Broader Outcomes Ecosystem

This *Framework* has a longer-term focus that seeks to ensure that *government's broader outcomes* objectives and opportunities are linked to viable industries and *suppliers* in the supply chain to achieve *public value*. Realising enduring benefits from *broader outcomes* requires a range of interconnected mechanisms to be activated – a '*broader outcomes ecosystem*'.

Strategy and procurement pipeline

A clear strategic roadmap is required that links planned *procurement* to objectives, opportunities, actions and outcomes that achieve *public value*. It makes the delivery of *broader outcomes* a deliberate, focused effort that is connected to clearly articulated common goals.

Related policy and legislation

Consideration of the broader policy and legislative landscape ensures that *procurement* leverages, responds to, and contributes to related work. It is important the strategy and delivery works in conjunction with, not in isolation from, the broader context to maximise *public value* and remains relevant over time. Further information is detailed in [Part C](#).

Employment and skills forecasting

Usage of employment and skills data and projections help to match opportunities to targeted industries and population groups, especially for major projects, which require a focus on workforce development solutions and innovation to fulfil workforce needs.

Buyer capability

Buyers who have responsibility in an *agency* to undertake *procurement* of *goods, services* or *works* need to have the right 'know-how' to undertake *procurement* to deliver *broader outcomes*. The required capability goes beyond technical training to ensuring that the right leadership, strategy and delivery mechanisms are in place to achieve the desired *public value* from *procurement*.

Supplier and market development

It is important to have access to, and where necessary, help develop, a supply market that is *public value* focused and is diverse and deep enough to respond to and deliver *public value*. Like *buyers, suppliers* need to have the right capability to position themselves, respond confidently to market opportunities, and deliver on their agreed *public value* requirements while delivering their *goods, services* or *works*. This *Framework* supports *suppliers* that already have good environmental, social, and cultural practices as well as developing and growing the market in *suppliers* with these characteristics.

Partnerships and support organisations

There are partnerships and support organisations who are developing and opening markets, connecting *buyers* to *suppliers*, and building information about supply markets. Forming partnerships and collaborative approaches also enables sharing and building of ideas and solutions, both within *agencies* as well as with *suppliers, service providers* and other organisations outside of *government*.

Measurement and reporting

Establishing appropriate performance measurements and targets is essential. Tracking and sharing progress against objectives promotes transparency, maturity of practice, and a community of practice. Sound measurement and reporting models have clearly articulated strategic objectives, targets and key performance indicators (KPIs) that help to inform the data to be collected and reported.

Exemplar projects

Good examples, where *broader outcomes* have been delivered, need to be available to generate new ideas and alternative approaches. This will allow the sharing of both achievements and lessons learnt, which is necessary as *procurement* practice evolves and *broader outcomes* become integrated into everyday *government procurement*. Case insights are available in [Part D](#).










2. Objectives for Delivering Broader Outcomes

Achieving *public value* through *procurement* requires good quality, good price and good outcomes. *Government* has identified the *broader outcomes* as improved social, economic, environmental and cultural outcomes for the benefit of all New Zealanders.

Through this *Framework*, the *government* aims to contribute to *public value* through *broader outcomes*. To do this successfully, it is necessary to define which objective(s) are being focussed on for each *procurement activity* that will benefit the economy, environment and society. With respect to the priority outcome areas, designated contracts have been identified and *agencies* must include requirements relating to the outcomes in their procurement.¹

The *Framework* has identified seven objectives that incorporate the priority *broader outcomes* as well as advance other *government* policies and initiatives. These seven objectives are not exhaustive; *agencies* should consider benefits to New Zealand that might be achievable even if not one of the seven objectives listed below. It is important that the outcome is connected to the procurement and realistically deliverable by the supply market.

While having individual importance, these objectives may overlap or be co-dependent. For example: A priority outcome is to increase the size and skill level of the domestic construction sector workforce. By focussing on the skills and workforce development objective and purchasing from *suppliers* who are developing apprenticeships in construction, the priority outcome can be delivered as well as alignment to the *broader outcomes* of social and economic outcomes.

Objectives:	Includes:	Link to the Government's Prioritised Broader Outcomes:
 Opportunities for Māori enterprises	<ul style="list-style-type: none"> Purchasing from <i>Māori enterprises</i> 	<ul style="list-style-type: none"> Access for New Zealand businesses
 Opportunities for Pasifika enterprises	<ul style="list-style-type: none"> Purchasing from <i>Pasifika enterprises</i> 	<ul style="list-style-type: none"> Access for New Zealand businesses
 Sustainable, fair and equitable employment environments	<ul style="list-style-type: none"> Purchasing from <i>suppliers</i> that comply with applicable laws and standards for: <ul style="list-style-type: none"> Employment Health and safety Disability Domestic violence leave Purchasing from <i>suppliers</i> that adopt fair employment conditions for employees, such as through adoption of: <ul style="list-style-type: none"> Equal opportunity policies Modern slavery policies Living Wage or fair pay rates 	<ul style="list-style-type: none"> Employment standards and health and safety
 Skills and workforce development	<ul style="list-style-type: none"> Purchasing from <i>suppliers</i> that deliver skills and workforce development outcomes. For example (but not limited to): <ul style="list-style-type: none"> Employment and/or skills training for women in construction Apprenticeships or pathways to senior positions and workforce development 	<ul style="list-style-type: none"> Construction sector skills and training
 Prosperous and sustainable New Zealand regions	<ul style="list-style-type: none"> Purchasing from regional <i>suppliers</i> or <i>suppliers</i> that generate local impact Purchasing materials, resources and <i>services</i> from local <i>suppliers</i> Achieving outcomes in <i>'surge regions'</i> 	<ul style="list-style-type: none"> Access for New Zealand businesses
 Environmentally sustainable practices and outputs	<ul style="list-style-type: none"> Purchasing from <i>suppliers</i> that deliver project-specific outputs to: <ul style="list-style-type: none"> Reduce emissions and waste to landfill Increase use of recycled content Have a positive impact on climate change 	<ul style="list-style-type: none"> Reducing emissions and waste
 Targeted opportunities for employment	<ul style="list-style-type: none"> Purchasing from <i>social enterprises</i> and community enterprises who can provide employment or employment pathways 	

¹ Under the mandated *broader outcomes*, New Zealand *government agencies* must leverage the outcome from their *procurement activities* and identified specific contracts or sectors. See MBIE's guidance on *broader outcomes* at: www.procurement.govt.nz/broader-outcomes/

- Purchasing from *suppliers* who can provide employment and employment pathways to people in receipt of some form of *government* financial assistance or with limited access to the labour market. Examples include (but are not limited to):
 - Youth not in education, employment or training (NEET)
 - Refugees
 - Māori
 - Pasifika peoples
 - People with a disability
 - People re-entering the workforce from childcare commitments, ill-health, injury or a correctional sentence
 - Older workers transitioning from other sectors in the workforce
- People who are under-employed/under-trained in their current roles

2.1 Opportunities for Māori Enterprises

Māori enterprises play an important role in New Zealand's economy. As well as being part of the *Government's* priority *broader outcomes*, there are several other *government* initiatives that support the increase of opportunities for *Māori enterprises*, including He kai kei aku ringa (the Crown–Māori Economic Development Strategy) and the Māori Business Growth Strategy established by Te Puni Kōkiri.

A registered Māori business can be defined as being a business that is:

- Māori owned: at least 50% of the ownership is held by Māori (including individuals, collectives and/or businesses); or
- Uses the current Inland Revenue eligibility to be a Māori authority (i.e.; is eligible for a Māori authority tax code).

(*Source: Māori Economic Development Board*)².

According to the New Zealand Business Demography statistics, as at February 2018, there were 1,176 *Māori enterprises* operating in New Zealand with over 12,300 employees.

Rule 17 in the *Government Procurement Rules* supports targeting opportunities for *Māori enterprises* to better take part in *government procurement* processes. Where targets are introduced by government, these must be met by agencies.

2.2 Opportunities for Pasifika Enterprises

New Zealand's Pasifika peoples are a diverse group who align themselves from many different Pacific Island nations and communities with the main ethnicities including Samoan, Cook Island Māori, Tongan, Niuean, Fijian, Tokelauan and Tuvaluan.

The New Zealand Pacific Economy report (November 2018) indicates that, as of the 2017 financial year, there are approximately 1,500 *Pasifika enterprises* in New Zealand with employees, and a further 4,100 self-employed Pacific individuals in New Zealand including small business with few employees and sole traders.³ In addition to these businesses, there are approximately 500 Pasifika not-for-profit or charitable organisations currently active in New Zealand. Together, *Pasifika enterprises* and organisations operate across a range of industries with business assets totalling \$8.3 billion with an estimated \$3.1 billion annual contribution to New Zealand's total production GDP in New Zealand.

The *Government's Pacific Economic Strategy 2015-2021* and *Pacific Economic Action Plan* include targets and related actions for achieving more sustainable *Pasifika enterprises*. The key focuses are to support *Pasifika enterprises* to be sustainable and to increase the understanding of *Pasifika enterprises* and this sector.

Rule 17 in the *Government Procurement Rules* supports targeting opportunities for *Pasifika enterprises* to better take part in *government procurement* processes.

² Work is underway by *government* to develop a definition for *Māori enterprise* for use in *government procurement*.

³ Work is underway by *government* to develop a definition for *Pasifika enterprise* for use in *government procurement*.

2.3 Sustainable, Fair and Equitable Employment Environments

The *Government's* commitment to fair employment environments is bolstered through a *Supplier Code of Conduct* that sets out *government's* expectations of *suppliers*, including their *sub-contractors*, in relation to:

- Ethical behaviour;
- Labour and human rights;
- Health, safety and security;
- Prompt payment;
- Environmental sustainability; and
- Corporate social responsibility.

In addition, this *Framework* enables *agencies* to support business practices that:

- Address forced labour and other forms of modern slavery; and
- Increase the living standards of New Zealand workers and their families through the introduction of living wage or other fair wage practices.

Rule 19 in the *Government Procurement Rules* requires *agencies* to ensure that employment standards are met by *suppliers* and their *sub-contractors* in their domestic supply chain in designated contracts and that *suppliers* and their *sub-contractors* undertake good health and safety practices.

2.4 Skills and Workforce Development

There are skills shortages for many occupations in different industries in New Zealand including in construction, health and social services, ICT, electronics and telecommunications, agriculture and forestry, and science. Absence of access to the right qualifications and skills, high worker turnover and low unemployment are among the contributors to skill shortages across these industries.

The construction industry has specifically been identified as having a critical skills shortage and *Government* is seeking to lift the skills and productivity in the construction industry. Several key *Government* initiatives are in place, including the *Construction Skills Action Plan*, which has six initial priorities for:

- Leveraging *government procurement*;
- Establishing additional jobs and skills hubs;
- Growing construction careers and credentials;
- Expanding skills for industry;
- *Mana in Mahi* – Strength in Work; and
- Further changes to immigration settings.

The construction workforce is important for assisting in the delivery of *Government's* goals and policies such as health, education and regional development. Major construction projects present significant opportunities for delivering social and economic value, enabling local *supplier* participation and the delivery of skills development and employment outcomes.

In April 2019, the *Construction Sector Accord* was established, signalling *government* and industry's commitment to work together for a better New Zealand with a focus on the construction sector.

Rule 18 in the *Government Procurement Rules* requires *agencies* to include skills development as weighted criteria and include mechanisms for ensuring transparency of numbers of apprentices or trainees, in particular, for construction *procurement* activities above \$10 million.

2.5 Prosperous and Sustainable New Zealand Regions

Government encourages the development of thriving and sustainable New Zealand regions. Regional economic development is important as a large proportion of New Zealanders (49%) live outside of the main urban centres of Auckland, Wellington and Christchurch, and because the regions make a significant contribution (40%) to New Zealand's Gross Domestic Product (GDP).

A 2017 evaluation of the *Government's Regional Growth Programme* highlighted that support is needed for regions with persistent economic underperformance to identify and leverage opportunities to increase jobs, income and investment, for the ultimate benefit of all New Zealanders. Of note, the evaluation found:

- Māori make up a significant proportion of the population in New Zealand's provincial regions and socioeconomic circumstances for Māori, in terms of household income and other measures, are disproportionately poor; and
- Regions identified as having a strong primary resource sector have not been achieving their full economic potential, having an adverse impact on household incomes, with pockets of high deprivation and unemployment in some regions.

There is significant international evidence that the most effective way to reduce persistent economic underperformance in a local community is to reduce unemployment in the area. The *Government's Provincial Growth Fund* is an example of how it is prioritising financial investment and better social and economic outcomes in New Zealand's regions, with a focus on six identified 'surge regions': Tai Tokerau/Northland; Bay of Plenty; Tairāwhiti/East Coast; Hawke's Bay; Manawatū-Whanganui; and West Coast.

Rule 17 in the *Government Procurement Rules* support targeted initiatives that provide opportunities for businesses in surge regions, including Māori and Pasifika enterprises to better take part in government procurement processes.

2.6 Environmentally Sustainable Practices and Outputs

New Zealand has a number of major environmental issues to address:

- The country's gross greenhouse emissions have risen almost 25% in the 25 years from 1990 to 2015, with agriculture making up nearly half of these emissions (*source: Ministry for the Environment*);⁴
- New Zealanders produce 734kg of waste per person each year (*source: Ministry for the Environment*);⁵ and
- Waste is polluting New Zealand's land and water and contributes to 5% of New Zealand's greenhouse gases (*source: Ministry for the Environment*).⁶

The government has recognised that solutions are needed to become more efficient with the resources being used. A government framework has been established to reduce waste and emissions as well as to progress climate change policy, including supporting the transition to a net zero emissions economy and significantly reducing waste by 2020. A \$100 million *Green Investment Fund* is also in place to help businesses to reduce emissions.

Rule 20 in the *Government Procurement Rules* requires agencies to buy low-carbon low-waste goods and services in designated contracts.

2.7 Opportunities for Targeted Employment

There are certain population groups in New Zealand that have significant barriers to employment and/or education and training pathways and whose unemployment rates are disproportionate to the 4.3% unemployment rate of the general population (NZ Stats, 2019).

Procurement can be a powerful lever for employment and training of target groups as the private sector, including social enterprises and other suppliers, play a vital role in providing employment and job pathways.

14.1% Youth not in education, employment or training (NEET)
Stats NZ, 2018

750 Refugees per year accepted into NZ and provided full support
MBIE, 2018

8.6% Unemployment rate for Māori
MBIE, 2018

8.5% Unemployment rate for Pasifika peoples
MBIE, 2018

10.6% Unemployment rate for disabled people
Stats NZ, 2018

14.9% Women in the construction industry while 48% of NZ's paid workforce is made up of women
Stats NZ, 2017

3. Embedding Broader Outcomes into Government Procurement

Each *agency* must consider the *broader outcomes* as part of delivering *public value* in their *procurement activity*. It means undertaking changes to make *broader outcomes* everyday *procurement* practice for *agencies* and maturing New Zealand's *broader outcomes procurement* ecosystem. It is also about *agencies* being prepared to report their progress and achievements against the *broader outcomes* to Cabinet to demonstrate actual outcomes to New Zealanders, support continuous improvement, and inform future directions for priority *broader outcomes*.

3.1 Enabling Government Buyers and Contract Managers

Building capability for *government buyers* and *contract managers* to deliver *broader outcomes* requires a continued focus on:

- Providing education to build a shared understanding of the *broader outcomes* practices;
- Establishing appropriate and accessible guidance and tools; and
- Maintaining open dialogue and engagement.

Each *agency* plays a role in embedding this *Framework* and the achievement of *broader outcomes* into their own organisation and to champion *public value* outcomes internally and externally with their stakeholders, including with *suppliers* and industry.

It is intended that *broader outcomes* are integrated into business as usual, including standard *procurement* processes, rather than be a standalone activity.

There may be a requirement to provide additional guidance and tools as part of the *procurement* suite of documents within *agencies* to embed this into everyday *procurement activity*.

3.2 Building Supplier and Industry Capability

As with *government agencies*, *suppliers* and industry will need to have, or plan to develop, the right capabilities to effectively participate in *government procurement* opportunities and help deliver *broader outcomes*. *Suppliers* and industry will need a level of support to:

- Understand the alignment of securing *broader outcomes* in the delivery of *public value*;
- Gain a consistent understanding of *broader outcomes* practices; and
- Enable them to effectively participate in and maximise the benefits offered by the *Framework*.

Establishing valuable relationships between *agencies*, partners and support organisations as well as directly with *suppliers* is key to enable the capability and development of the supply chain.

Broader Outcomes Approaches

Selecting a *supplier* who is capable, or is seeking to develop capability, to deliver the defined and other broader outcomes can be done through two approaches, which can be incorporated into all *government procurement activity* (for the avoidance of doubt, *government procurement* should be conducted in accordance with the *Government Procurement Rules*):

Indirect broader outcomes

Where *agencies* purchase *goods, services* or *works* from a *supplier* that is not a *social outcome supplier* but is able to deliver *public value* outcomes indirectly.

This could mean purchasing from *suppliers* who support:

- Ethical employment environments;
- Skills and workforce development;
- Local *supplier* engagement or local impact in provincial New Zealand;
- *Social outcome supplier* engagement; and/or
- Environmentally sustainable outputs.

Direct broader outcomes

Where *agencies* purchase *goods, services* or *works* directly from a *social outcome supplier*, such as from a:

- *Māori enterprise*;
- *Pasifika enterprise*; or
- *Social enterprise*.

PART B: IMPLEMENTATION GUIDANCE

Using this Guidance

This guidance has been developed to assist *government buyers* and *contract managers* to implement this *Framework* within their own *agencies*.

The guidance detailed is **not prescriptive**, it can be tailored to specific *agency* needs, so long as the *Government's* applicable mandated requirements in the *Government Procurement Rules* are met and *public value* is achieved by the *agency*.

It outlines recommended approaches for applying *broader outcomes* considerations when:

- Developing an *agency's* overarching *procurement* strategy; and
- Undertaking individual *procurement activities*.

Some words, abbreviations and acronyms used in the *Framework* have a special meaning and are marked in italics or capitalised. Definitions are provided in the [Glossary](#)

Key phases for an *agency* in the implementation of *broader outcomes* are:



1. Incorporate Broader Outcomes into Agency-Wide Procurement Strategies

A *Broader Outcomes Strategy* (Strategy) enables *agencies* to give consideration as to how *broader outcomes* can be integrated into the *agency's* organisational priorities and align to the delivery of *public value*.

An *agency's Broader Outcomes Strategy* may be in a standalone document or incorporated into a broader *agency procurement* strategy or plan (or equivalent) and should consider the recommended content inclusions outlined below. The Strategy needs to be approved by an *agency's* appropriate delegated authority.

Strategy Outline	Recommended Content Inclusions
Introductory information	<p>Statement that recognises <i>procurement</i> as a core function of the <i>agency</i> and that <i>government procurement</i> can and should be used to support wider social, economic, environmental and cultural outcomes that go beyond the immediate purchase of <i>goods, services</i> and <i>works</i>.</p> <p>Statement of commitment by the <i>agency</i> to delivering <i>broader outcomes</i> through its procurement activities.</p> <p>Statement that acknowledges the benefits of <i>broader outcomes</i> for the <i>agency</i> and New Zealand.</p>
Context for <i>broader outcomes procurement</i> in the <i>agency</i>	<p>Explanation of <i>broader outcomes, social procurement</i> or <i>community well-being</i>.</p> <p><i>Agency broader outcomes</i> achievements to date.</p> <p>Drivers for <i>broader outcomes</i> in the <i>agency</i>, including acknowledgement of, as relevant: <i>Government</i> mandates, policy and legislation; and</p> <p>Any policy statements or directives from the <i>agency's</i> Board, Chief Executive or senior leaders, or other requirements.</p>
About the <i>agency</i>	<p><i>Agency</i> purpose, objectives and priorities.</p> <p>How <i>broader outcomes</i> can support <i>agency</i> objectives and priorities.</p> <p><i>Agency procurement</i> profile, pipeline and governance arrangements.</p> <p>Changes of note to forecasted <i>procurement</i> compared to previous years.</p> <p>Alignment with <i>agency</i> objectives, <i>procurement</i> strategy and <i>broader outcomes activity</i>.</p> <p>Definition of parameters for tiered considerations. (refer section 2)</p>
Broader outcomes opportunity analysis	<p>Summary outcomes of opportunity analysis that consider spend trends, spend categories, existing and pipeline contracts, market and <i>supplier</i> analysis (including potential opportunities for <i>Māori enterprises, Pasifika enterprises</i> and <i>social enterprises</i>), tactics, and assessment against the <i>Framework</i> tier bands.</p> <p>Identification of priority <i>broader outcomes</i> opportunities with a supporting activation approach.</p> <p>Identification of <i>procurement activities</i> in the <i>Framework's</i> Upper Tier requiring a standalone <i>Broader Outcomes Plan</i>.</p>
Objectives and outcomes	<p>Outline of the <i>agency's broader outcomes</i> objectives and outcomes informed by the opportunity analysis.</p> <p>Demonstration that the <i>agency-specific broader outcomes</i> objectives and outcomes consider <i>broader outcomes</i>.</p> <p>Outline of applicable <i>agency</i> measures, targets, or proposed targets, to measure progress against the objectives and outcomes.</p>
Measurement, monitoring and reporting	<p>Outline of a monitoring and reporting framework that includes a model for data collection and analysis to track progress and success against objectives, outcomes and targets set out in the Strategy. The model is to consider:</p> <ul style="list-style-type: none"> ○ Tools and methods to be used for data collection, analysis and visualisation; and ○ Reporting requirements and tools to communicate achievements and lessons.
Roles and responsibilities	<p>Acknowledgment of the importance of the <i>agency's</i> leadership in championing <i>broader outcomes</i>.</p> <p>Identification of the <i>agency's broader outcomes</i> governance arrangements, including any key positions and committees and their associated primary responsibilities.</p>
Capability development roadmap	<p>Current situation analysis, identification of <i>broader outcomes</i> capability gaps, and identification of priority actions to support the development of <i>broader outcomes</i> capability in the following areas:</p> <ul style="list-style-type: none"> ○ Leadership and governance; ○ Policy, processes and systems integration; ○ <i>Agency buyer</i> and internal stakeholder education and communication; ○ <i>Agency supplier</i> and external stakeholder education and communication; ○ Measurement, monitoring and reporting; and ○ Continuous improvement and ongoing delivery. <p>Outline of how <i>broader outcomes</i> capability aligns with organisational capability development activities.</p>
Strategy Review	<p>Outline of when, how and by whom the Strategy will be reviewed and updated over time.</p>

Strategy Outline	Recommended Content Inclusions
Glossary	List and interpretation of key terms and abbreviations used throughout the Strategy document. Align terminology with the terms in this <i>Framework</i> to support consistency across agencies.
Appendices (optional)	Inclusion of an <i>agency broader outcomes</i> self-assessment used to inform capability levels and needs. Charts and/or high-level data sets used to inform the opportunity analysis.



2. Plan to Deliver Broader Outcomes

Agencies should include securing *broader outcomes* as part of planning for any *procurement activity*. To assist with developing the *procurement plan* which incorporates *broader outcomes*, this *Framework* proposes that *agencies* consider *broader outcomes* in accordance with tiered levels that are aligned to the risk, complexity, scale, opportunity and value of the *procurement activity*. The lower tiers would typically be low value, low risk, possibly transactional *procurement activity*, whereas the upper tiers would be high value, complex, large scale, lengthy contracts.

Broader Outcomes Consideration for Procurement Activities				
Government Procurement Lifecycle Phase and Stage	Key Broader Outcomes Activity	Lower Tier	Middle Tier	Upper Tier
Plan	Initiate project	<ul style="list-style-type: none"> Work with stakeholders early to identify <i>broader outcomes</i> and define <i>broader outcomes</i> objectives. Incorporate <i>broader outcomes</i> consideration into usual <i>procurement</i> planning. 	<ul style="list-style-type: none"> Create and agree with stakeholders the defined outcomes and methodology for delivery. Incorporate <i>broader outcomes</i> consideration into usual <i>procurement</i> planning. Consider the <i>procurement</i> approach and <i>broader outcomes</i> tactics. 	<ul style="list-style-type: none"> Create and agree with stakeholders defined <i>procurement</i> outcomes and methodology for delivery. Ensure stakeholder awareness and agreement to roles and responsibilities. Complete a detailed, standalone <i>Broader Outcomes Plan</i> as part of <i>procurement</i> planning.
	Identify needs and analyse the market			
	Specify requirements	Specify requirements	<ul style="list-style-type: none"> Identify opportunities for <i>broader outcomes</i> to pursue. 	<ul style="list-style-type: none"> Consider including key performance indicators (KPIs) and targets against specified outcomes. Include key performance indicators (KPIs) and targets against specified outcomes.
	Plan approach to market and evaluation	Establish evaluation criteria	<ul style="list-style-type: none"> Consider using evaluation criteria to recognise businesses who support <i>broader outcomes objectives</i>, if evaluation criteria apply. 	<ul style="list-style-type: none"> Consider using evaluation criteria to recognise businesses who have capability or are developing capability, to deliver defined outcomes.
Source	Approach market and select <i>supplier</i>	<ul style="list-style-type: none"> Find the right <i>supplier</i> to deliver and achieve <i>broader outcomes objectives</i> Seek opportunities to purchase from <i>Māori enterprises, Pasifika enterprises, social enterprises</i> or <i>suppliers</i> that have good environmental, social, and cultural practices. Include any potential <i>broader outcomes</i> in the contract. 	<ul style="list-style-type: none"> Ensure RFX incorporates <i>broader outcomes</i>-related information. Ensure evaluation considers the response as per evaluation criteria. Obtain <i>supplier</i> response on how the specified <i>broader outcomes</i> requirements will be met. Incorporate <i>broader outcomes</i> into negotiations. Separately articulate <i>broader outcomes</i> to other KPIs and targets in the contract. Call out benefits and timelines. 	
	Negotiate and award contract			
Manage	Manage contract and relationships	<ul style="list-style-type: none"> Manage the contract and relationship for <i>broader outcomes objectives</i> Collect data to measure success through 'light touch' reporting. Work collaboratively to develop <i>supplier</i> capability. 	<ul style="list-style-type: none"> Collect data through reports to measure success. Detailed reporting on key agreed or required measures. Consider consequences for non-performance. Work closely to enhance <i>broader outcomes</i> and <i>supplier</i> capability. 	<ul style="list-style-type: none"> Seek detailed reporting on key agreed or required measures with consequences for non-performance and/or positive incentives for achieved or exceeded performance. Engage with <i>suppliers</i> to develop capability. Confirm that contractual obligations relating to <i>broader outcomes</i> have been met. Work closely to ensure delivery of all <i>broader outcomes</i>.
	Review	<ul style="list-style-type: none"> Review performance and future needs/options. 	<ul style="list-style-type: none"> Ensure <i>broader outcomes</i> in the contract are met. Identify constraints and next-level <i>broader outcomes</i>; support optimisation and continuous improvement. 	

More detail is provided in the following sections.

2.1 Planning for Procurement Activity

Broader outcomes procurement considerations at the planning stage for any *procurement activity* should contemplate:

- Value, scale, complexity and objectives of the *procurement activity*;
- Identifiable *broader outcomes* opportunities and outcomes that can be prioritised;
- How *broader outcomes* requirements and outcomes will be measured and tracked;
- Roles and responsibilities for ensuring *broader outcomes* commitments are achieved; and
- Any specific stakeholders or risks to be managed, and how.

Broader outcomes considerations during planning should be undertaken in conjunction with the stakeholders identified when the *procurement activity* was initiated and in line with any formal governance arrangements established between the *agency* and related organisations.

A detailed, standalone *Broader Outcomes Plan* may be prepared, alongside the *agency's Procurement Plan* (or equivalent) for *procurement activity* that aligns to the Upper Tier of the *Framework* or where high *public value* potential is predicted.

This is because the nature of *broader outcomes* consideration and associated approaches are likely to be more complex, proportionate to the *procurement activity* value and scale. For example, *procurement* for a major roads regeneration programme would likely require a standalone *Broader Outcomes Plan*. The level of detail in a *Broader Outcomes Plan* should be proportionate to the *procurement activity*.

Recommended content inclusions are:

Plan Outline	Recommended Broader Outcomes Content Inclusions
Introductory information	<ul style="list-style-type: none"> • Outline of the <i>procurement activity</i> overview, scope, value and complexity. • Key people and committees responsible for the <i>procurement activity</i>.
Context for <i>broader outcomes</i>	<ul style="list-style-type: none"> • Current state summary as it relates to the <i>procurement activity</i>. • <i>Broader outcomes</i> objectives, key elements and targets specific to the <i>procurement activity</i>.
<i>Broader outcomes</i> opportunity analysis	<ul style="list-style-type: none"> • Opportunity analysis that considers contract value, spend categories, market and <i>supplier</i> analysis (including potential opportunities for <i>Māori enterprises</i>, <i>Pasifika enterprises</i>, <i>social enterprises</i>), and tactics. • Identification of how priority opportunities and associated <i>broader outcomes</i> objectives and outcomes will be enabled. For example, use of <i>suppliers</i> that are <i>Māori enterprises</i>, <i>Pasifika enterprises</i>, <i>social enterprises</i> or <i>suppliers</i> that already have good environmental, social, and cultural practices, contract clauses and evaluation criteria.
<i>Broader outcomes</i> specified strategy/ies	<ul style="list-style-type: none"> • Outline of any relevant <i>agency</i>-specific strategies that support the <i>broader outcomes</i> objectives and outcomes of the <i>procurement activity</i>. For example, supporting opportunities for targeted employment or developing skills and workforce in construction. • Identification of key processes, partnerships, engagement (including need for any early market engagement and <i>supplier</i> relationship management) required to mobilise the strategy/ies.
Measurement, monitoring and reporting	<ul style="list-style-type: none"> • Outline of a reporting and management framework that includes a data collection and analysis approach for tracking progress and success against the objectives, outcomes and <i>agency</i> defined targets set for the <i>procurement activity</i>. The model is to consider: <ul style="list-style-type: none"> ◦ Tools and methods to be used for data collection, analysis and visualisation; and ◦ Reporting requirements and tools to communicate achievements and lessons.
Glossary	<ul style="list-style-type: none"> • List and interpretation of key terms and abbreviations used throughout the Plan. • Align terminology with the terms in this <i>Framework</i> to support consistency across <i>agencies</i>.

2.2 Broader Outcomes Tactics

Depending on the size, expenditure category, and level of opportunity and risk, there are several *broader outcomes* tactics that can be applied to effectively deliver *public value*. The following are some common tactics:

Tactic	Description
Bundle	Increasing the size and scope of a project/contract to enable a sustainable <i>broader outcomes</i> solution.
Unbundle	Decreasing the size and scope of a project/contract to enable <i>suppliers</i> developing capability to deliver <i>broader outcomes</i> in the supply market to have the opportunity and capacity to meet scope for delivery.
Evaluation criteria	Communicating to the market that importance is placed on delivery of <i>broader outcomes</i> .
Evaluation criteria for targeted sub-contracting	Using higher value projects/contracts to develop and grow the market in suppliers with good environmental, social, and cultural practices by requiring or encouraging alternative <i>sub-contractors</i> as part of their <i>goods, services</i> or <i>works</i> delivery that will support delivery of specified outcomes.
Request for Information (or other forms of early market engagement)	When there is limited knowledge of how <i>public value</i> could be addressed and/or there is a desire to encourage innovation.
Partnerships	Specific and strategic matching of <i>supplier</i> capability with visibility to a pipeline of work supported with an openness to partnering. This creates long-term opportunities for innovation around shared <i>broader outcomes</i> objectives and to enhance capability within the supply chain.
Supplier relationship management (SRM)	Relationships and structured SRM processes enabling engagement with existing strategic, long-term <i>suppliers</i> to explore <i>public value</i> opportunities.
Specifications	Framing specifications on outcomes-based expectations and defined deliverables.
Targeted panels	Using panels as an opportunity to diversify the <i>supplier</i> base.
Targeted sourcing	Allowing direct or selective sourcing from known <i>suppliers</i> with good environmental, social, and cultural practices, often for lower value (below threshold) transactions where internal processes allow this.

2.3 Specify Broader Outcomes Requirements








Broader outcome expectations and objectives determined during *procurement* planning help establish the requirements for the *procurement activity*. It is important to ensure the specifications are proportionate to the value of the *procurement activity* so that outcomes are realistically achievable by the market.

For *procurement activities* in the Lower Tier, *broader outcomes* requirements may be as simple as consideration and/or statement of any relevant objectives and outcomes.

Moving into the Middle Tier and Upper Tier, *broader outcomes* requirements need to be more considered and will likely take the form of key performance indicators (KPIs) and targets. This approach allows progress to be measured against the *broader outcomes* objectives and outcomes of the *procurement activity*.

Example KPIs that align with this *Framework's* approach are provided below. They are **not prescriptive**, and *agencies* are encouraged to develop their own KPIs. It is important to remember:

- KPIs must be consistent with *agencies'* obligations under the *Government Procurement Rules, broader outcomes* and associated guidance and related mandates.
- Good KPIs are SMART KPIs – specific, measurable, achievable, relevant and time-bound. *Agencies* should consider these attributes when setting KPIs and seek to confirm applicable thresholds or benchmarks, *agency* specific targets and stretch aspirations associated with each KPI adopted.

Objectives	Example Broader Outcomes KPIs
 Opportunities for Māori enterprises	<ul style="list-style-type: none"> Percentage of the total contract volumes and/or value to be awarded to <i>Māori enterprises</i> (direct or through <i>sub-contracting</i>) including a minimum of [x] no. contracts. Percentage of all contracts under \$100,000 spent directly with <i>Māori enterprises</i>. Percentage of hours worked on a project by Māori employees.
 Opportunities for Pasifika enterprises	<ul style="list-style-type: none"> Percentage of the total contract volumes and/or value to be awarded to <i>Pasifika enterprises</i> (direct or through <i>sub-contracting</i>), including a minimum of [x] no. contracts. Percentage of all contracts under \$100,000 spent directly with <i>Pasifika enterprises</i>. Percentage of hours worked on a project by Pasifika peoples.
 Sustainable, fair and equitable employment environments	<ul style="list-style-type: none"> Percentage of <i>suppliers</i> that can evidence employment standards compliance across their contracting chain. No. of <i>suppliers</i> adopting the Living Wage or other fair wage provisions for their employees. Percentage of <i>suppliers</i> evidencing third party assurance that the <i>supplier</i> and their <i>sub-contractors</i> in the supply chain are meeting employment standards.
 Skills and workforce development	<ul style="list-style-type: none"> Percentage of women employed in construction-related trades and professions. No. of new skills development or workforce opportunities created. For example, apprenticeships, degree qualifications or FTE positions.
 Prosperous and sustainable New Zealand regions	<ul style="list-style-type: none"> Percentage of hours worked by the <i>supplier's</i> personnel or workforce sourced from local region. Percentage of spend of total contract value spent on locally sourced materials, resources or <i>services</i>.
 Environmentally sustainable practices and outputs	<ul style="list-style-type: none"> Net reduction of vehicle emissions of CO2. Percentage reduction in waste packaging or single use items for office consumables.
 Targeted opportunities for employment	<ul style="list-style-type: none"> Partnerships with <i>agencies</i> and their providers for the sourcing of employees. Percentage of all contracts under \$100,000 spent directly with <i>social enterprises</i>. No. of identified <i>agency</i> clients and jobseekers employed, trained and retained in fulltime employment (30 hours+) for a minimum of 12 months. Increase in employment with: <ul style="list-style-type: none"> Increase of employment hours undertaken by those in receipt of financial assistance currently limited by available hours or with a part-time work requirement; Percentage of positions filled by [cohort for targeted employment]; and/or Percentage of total workforce headcount by ethnicity or gender where these align to <i>government</i> strategies or <i>agency</i> targets. For example, Māori youth into apprenticeships or women into construction.

2.4 Establish Broader Outcomes Evaluation Criteria

The *agency's broader outcomes* planning should identify how best to set up evaluation to advance *broader outcomes* through the *procurement activity*.

It is important that the specified requirements and evaluation criteria remain proportionate to the scope, value and complexity of the *procurement activity* so that the intended *broader outcomes* can realistically be achieved. The *agency's* evaluation methodology for the *procurement activity* needs to align with the requirements articulated through *procurement* planning and in the RFX documentation.

Depending on the scope, value and complexity of the *procurement activity*, the evaluation methodology may reflect one or a combination of the following:

- Mandatory process conditions where there are strict go/no-go criteria, for example where there is a need to demonstrate business practices and capacity to comply with certain legislation;
- Recognition of a *supplier's* existing business practices and track record of achieving *government's* defined *public value*;
- Preconditions whereby a *supplier* must demonstrate that they meet prerequisite requirements, for example, demonstrating understanding of te reo Māori me ōna tikanga – Māori language and culture; and
- Qualitative criteria/merit-based evaluation based on the *supplier's* response, for example, how they will deliver on objectives to generate local impact in New Zealand's regions, and/or acknowledgement of *suppliers* that demonstrate commitment to delivering *broader outcomes* beyond the specified requirements in the RFX.

3. Find the Right Supplier to Deliver Outcomes

Engaging the market with a *broader outcomes* lens allows *suppliers* to consider how best to respond to the *broader outcomes*-related components of the *procurement activity*.

3.1 Approaching the Market

It may be appropriate for *buyers* to seek relevant expertise so they can better understand their *broader outcomes* requirements and be supported in their communications with other organisations involved.

Suppliers should have access to applicable *broader outcomes* information and instructions they can refer to when preparing their responses. In RFX documentation, this includes (but may not be limited to):

- An explanation of the concept, definitions and objectives relating to *broader outcomes*;
- Information about the *broader outcomes* sought with an indication of the priority outcomes;
- The requirements expected to be met for the prioritised *broader outcomes* and how the supplier's response will be evaluated;
- The anticipated measurement, monitoring and reporting of progress against the *broader outcomes'* requirements; and
- Any further information that assists *suppliers* to submit the most relevant offers, which may include links to key organisations or websites.

For Upper Tier *procurement activities*, an *agency* may incorporate *broader outcomes* information as part of an industry briefing. While the RFX documentation should have sufficient information, the *procurement activity* lead should be ready to provide clarifications in relation to *broader outcomes* information while the RFX process is open.

3.2 Evaluation of Responses

Agencies need to evaluate responses according to the approved Evaluation Plan. *Agencies* may consider engaging the support of a *broader outcomes* expert as part of the evaluation team for higher value/complex *procurement activities*. This arrangement will assist in the assessment of the *broader outcomes* section of an offer/response during the evaluation process by:

- Ensuring specialised insights are available;
- Being able to seek further input from identified key stakeholders, as appropriate;
- Helping to understand how some of the *broader outcomes* requirements may impact the offer price, for example, increased cost of employment or longer timeframe, and explore if alternative solutions may feasibly reduce any identified cost or time impacts; and
- Helping to identify where further clarifications may be needed from responding *suppliers* to help the evaluation team better compare offers/responses.

3.3 Negotiation

Before the contract is signed, negotiations may be entered into between the *agency* and *supplier*. All negotiated and agreed *broader outcomes* commitments, including KPIs, should be reflected in the final contract before it is signed.

Consider introducing a phased approach to *broader outcomes* under the contract. The first phase might focus on supporting *supplier* mobilisation of *broader outcomes* and establishing effective service partnerships and delivery approaches. For example, for *procurement activity* in the Upper Tier, it may be appropriate to ask a *supplier* to provide a detailed *Broader Outcomes Plan* within the first 45 days of being awarded the contact.

3.4 Signed Contract

The contract will include legally binding obligations the *supplier* will be expected to meet in the course of delivering the specified *goods, services* or *works* to assist with achieving, measuring and reporting on the *broader outcomes* objectives.

4. Manage the Contract and Relationship

This is the stage where the *agency* needs to ensure that the *goods, services or works* are delivered as per the contract between the *agency* and the *supplier*. This involves managing not just the contract itself, but also the relationship with the *supplier* so that the overall objectives of the *procurement activity* are met. Periodic reviews up to the end of the engagement are often conducted to ensure all contractual obligations are being/have been met and to enable continuous improvement opportunities to be identified.

4.1 Managing for Broader Outcomes

Incorporating *broader outcomes* into the *procurement activity* heightens the importance of effectively and proactively managing the contract and *supplier* relationship.

In practice, this means that *agencies* should:

- Actively work with the *supplier* as well as other stakeholders when the *procurement activity* was initiated, to obtain feedback on the quality of *broader outcomes* activities and make modifications as required to ensure *broader outcomes* are delivered. For example, adapting the KPIs as original targets are met;
- Address early any risks, issues, gaps or constraints that arise during contract implementation, including escalation if necessary, to maintain focus on achieving the intended *broader outcomes* of the *procurement activity*. Identification and resolution actions should be undertaken in conjunction with the *supplier* to maintain effective relationship management;
- Support establishment of data collection, tracking and reporting models with the *supplier* to ensure that the approach is practical, robust, reliable and auditable; and
- Ensure contract reports are utilised as a living and useful process to complete performance review and identify ongoing improvement opportunities. This includes monitoring performance against *broader outcomes* KPIs that are to be reported at a frequency identified in the contract, noting that the extent and frequency of reporting should be proportionate to the scope, value and complexity of the *procurement activity*.

4.2 Contract Review

Supplier performance reviews that incorporate *broader outcomes* consideration need to be based on contractual commitments and are essential to ensuring *broader outcomes* are achieved.

It is critical to document the lessons learnt in order to continuously improve the way *broader outcomes* is managed and delivered. *Agency* consideration of continuous improvement should extend to:

- Understanding any emerging gaps in the *supplier's* capability;
- Determining any immediate resolutions required to ensure intended *broader outcomes* are achieved;
- Identifying where the market could be further developed to meet the evolving *broader outcomes* expectations of the *agency* and *government*; and
- Contributing to inter-*agency* knowledge of impacts of *broader outcomes* policy.

4.3 Market and Supplier Development

Broader outcomes create new market opportunities for *suppliers* that want to do business with *government*. However, *broader outcomes* is an evolving practice and for some *suppliers*, incorporating *broader outcomes* into their *goods, services or works* delivery may be new to them.

Practical ways in which *agencies* can contribute to market and *supplier* development include (but may not be limited to):

- Undertake early engagement with key potential *suppliers* to understand existing capability and capacity, for example, through key *supplier* meetings, industry briefings, meeting with partner organisations, or surveying. This knowledge can then inform actions to encourage and increase support and engagement in *broader outcomes* activities that contribute to *public value*;
- Communicate positively with *suppliers* about the benefits of *broader outcomes* to business. For example, benefits can include gaining a competitive edge, building a positive business brand, and being prepared as the *government* focus on *public value* grows;
- Provide information to *suppliers* and relevant industry bodies, suited to their needs. This information should signal the *agency's* directions and priorities for *broader outcomes* together with useful guidance and links to resources;

- Provide education that is suited to *social outcome suppliers* and other *suppliers* in aspects of *broader outcomes* that builds their capability to deliver *public value*. For instance, education topics might include *broader outcomes* environmental sustainability, workforce development, health and safety, or measuring *public value*;
- Identify the *agency's* buying channels and encourage *suppliers* to connect and register through the relevant channels so they can be readily accessed. This could mean encouraging identified *suppliers* (e.g. *social enterprises*) to undertake pre-qualification or to work with an intermediary organisation who can list the *supplier* on their marketplace;
- Share case studies with the *agency's supplier* community to celebrate achievements, encourage innovation, and promote improvement in a supportive environment; and
- Identify potential incentives for *suppliers* that can be incorporated into *procurement activities* to drive buy-in and innovation, such as promotion through case demonstration, term extension options for meeting or exceeding requirements, or access to complementary financial assistance programmes to provide training or employment outcomes.



5. Measure and Report Outcome Delivery

Reviews are an important part of any *procurement* process and encompass reporting against agreed criteria. This will include determining whether the desired objectives have been met and measuring success against the key performance indicators (KPIs).

- Ensure the approach for data collection, tracking and reporting models is practical, robust, reliable and auditable;
- Make data collection and reporting easy for *suppliers* by establishing and using standardised forms or IT-based solutions they can use.
- For larger projects, *sub-contractors* in the supply chain will likely be contributing data to measure *public value* as well;
- Wherever possible, integrate data collection, tracking and reporting and make information readily visible to *suppliers* as well to promote transparency, dialogue and collaborative continuous improvement.

PART C: REFERENCE

1. Related Legislation, Policies and Initiatives

The following legislation, policies and initiatives have been considered in the development of this *Framework*. While there are mandatory requirements with *Government Procurement Rules*, the *government's* priority *broader outcomes* and legislation, the additional information can be considered by *agencies* when defining *agency specific social outcomes*. This list is in alphabetical order and is not exhaustive of all legislation, policies and initiatives that may relate to *broader outcomes*.

Broader Outcomes

Outlines how *government procurement* can and should be used to support wider social, economic, cultural and environmental outcomes that go beyond the immediate purchase of *goods, services* and *works*.

In October 2018, the *Government* agreed to an initial set of priority *broader outcomes* for *agencies* to leverage from their *procurement activities* and identified specific contracts or sectors. The priority outcomes are:

1. Access for New Zealand businesses;
2. Construction sector skills and training;
3. Employment standards and health and safety; and
4. Reducing emissions and waste.

<https://www.procurement.govt.nz/broader-outcomes/>

Construction Sector Accord (the Accord)

The Accord was established in 2019. Its purpose is to strengthen the partnership between *government* and industry and be a catalyst to transform the construction sector for the benefit of all New Zealand. The vision under the Accord is for a high performing construction sector for a better New Zealand. Shared goals between *government* and industry are to:

- Increase productivity;
- Raise capability;
- Improve resilience; and
- Restore confidence, pride and reputation.

<https://www.constructionaccord.nz/the-accord/>

Construction Skills Action Plan

Actions the *Government* priority to lift the capability and capacity of the construction workforce, which is regarded as essential to achieving the *Government's* goals for health, education, transport and regional development.

The Action Plan vision is that the *Government* collaborates with industry to drive a rapid and sustainable shift that delivers the right people, at the right time, with the right skills, to meet New Zealand's current and future construction needs. The Action Plan encompasses six priority initiatives:

1. Leveraging *government procurement*;
2. Establishing additional jobs and skills hubs;
3. Growing construction careers and credentials;
4. Expanding skills for industry;
5. Mana in Mahi – Strength in Work; and
6. Further change to immigration settings.

www.mbie.govt.nz/building-and-energy/building/supporting-a-skilled-and-productive-workforce/construction-skills-action-plan/

Forced Labour Convention 1930 (No. 29)

An international convention which New Zealand is a party to which has the object and purpose of suppressing the use of forced labour. https://www.ilo.org/dyn/normlex/en/f?p=1000:12100:0::NO::P12100_ILO_CODE:C029

Government Procurement Rules

The *Government's* minimum standards for *government procurement*. The *Rules* focus on open, competitive *procurement* where all businesses can participate. They:

- Align New Zealand *procurement* practice with international best practice;
- Encourage more strategic *procurement* approaches; and
- Foster competition and innovation, resulting in better solutions.

www.procurement.govt.nz/procurement/principles-and-rules/

Green Investment Fund

The Fund's overall aim is to accelerate low emissions investment in New Zealand. It forms part of the *Government's* commitment to address climate change and support New Zealand's transition towards a net-zero-emissions economy by 2050.

treasury.govt.nz/information-and-services/commercial-portfolio-and-advice/new-zealand-green-investment-finance

He kai kei aku ringa (the Crown–Māori Economic Development Strategy)

He kai kei aku ringa means 'providing food by my own hands' and has become a metaphor for the resilience and economic self-determination of Māori. The Strategy provides an organising framework to drive an all-of-*government* focus on achieving positive economic outcomes for Māori with an overarching goal to increase Māori median income by 20% by 2021, from \$26,500 to \$31,800.

He kai kei aku ringa has 5 goal areas or pou, represented by the acronym 'ERERE', meaning 'to take flight'. The 5 pou interact and overlap and, in some cases, are mutually reinforcing. ERERE represents:

- Employment: grow future Māori workforce into higher-wage, higher-skilled jobs.
- Rangatahi: support Māori youth to define and lead their economic aspirations.
- Enterprise: grow Māori SMEs (small-to-medium enterprises) and maximise the economic value of iwi and collectives.
- Regions: increase Māori participation in regional economic development.
- Education: upskill the Māori workforce and strengthen transitions into work.

<http://www.mbie.govt.nz/business-and-employment/economic-development/maori-economic-development/he-kai-kei-aku-ringa-strategy-and-action-plan>

He Poutama Rangatahi (HPR)

A pilot initiative that supports rangatahi aged 15-24 who are most at risk of long-term unemployment and who are not in education, employment or training.

Through supporting local organisations, HPR helps to deliver sustained employment outcomes for rangatahi. As part of this, HPR also supports employers who need access to specialised employment support matched to the needs of rangatahi.

www.growregions.govt.nz/regions/he-poutama-rangatahi/

ISO: 20400 Sustainable Procurement - Guidance

Creates a global framework to stimulate the integration of social, economic, and environmental objectives into strategic *procurement* practice. It provides guidance to organisations, independent of their activity or size, on integrating sustainability within *procurement*, as described in ISO: 26000 Social Responsibility. It is intended for stakeholders involved in, or impacted by, *procurement* decisions and processes.

www.iso.org/standard/63026.html

ISO: 26000 Social Responsibility

Provides guidance on how businesses and organisations can operate in a socially responsible way. This means acting in an ethical and transparent way that contributes to the health and welfare of society. It helps clarify what social responsibility is, helps businesses and organisations translate principles into effective actions and shares best practices relating to social responsibility globally.

www.iso.org/iso-26000-social-responsibility.html

Living Wage

The Living Wage concept refers to the hourly wage a worker needs to be paid for the necessities of life and to be able to participate as an active citizen in the community. It reflects the basic expenses of workers and their families such as food, transportation, housing and childcare, and is calculated independently each year by the New Zealand Family Centre Social Policy Unit.

Local Government (Community Well-Being) Amendment Act 2019

An amendment to the Local Government Act 2002 (the principal Act); this amendment reinstates the 4 aspects of *community well-being* and provides for local authorities to play a broad role in promoting the social, economic, environmental, and cultural well-being of their communities, taking a sustainable development approach.

www.legislation.govt.nz

Mana in Mahi (Strength in Work) Scheme

The Ministry of Social Development provides funding to employers seeking to hire young people to help kick start their careers. The young person gets an employment and industry training opportunity.

The Scheme includes assistance with pre-employment and in-employment training, wage subsidies, and incentives to candidates.

<https://www.workandincome.govt.nz/employers/subsidies-training-and-other-help/mana-in-mahi.html>

Māori Business Growth Strategy

Te Puni Kōkiri provides support to Māori businesses to help them become established through the *Māori Business Growth Strategy*. The three strategic priorities for 2017–2020 are:

- Priority 1: Improve the core business capability among Māori;
- Priority 2: Improve the connectedness of Māori businesses; and
- Priority 3: Increase the number of sustainable, and growing, Māori businesses.

<https://www.tpk.govt.nz/en/whakamahia/maori-business-growth-support>

Mastering Procurement - Guide

Developed for *government agencies*, it supports good *procurement* practice. It takes a structured approach to strategic *procurement*.

<https://www.procurement.govt.nz/assets/procurement-property/documents/guide-mastering-procurement.pdf>

New Zealand Disability Strategy 2016-2026

The Strategy recognises that, despite progress, people with disability in New Zealand remain worse off than non-disabled people across all social and economic outcomes. The Strategy has eight outcome areas:

- Outcome 1: Education;
- Outcome 2: Employment and economic security;
- Outcome 3: Health and wellbeing;
- Outcome 4: Rights protection and justice;
- Outcome 5: Accessibility;
- Outcome 6: Attitudes;
- Outcome 7: Choice and control; and
- Outcome 8: Leadership.

In particular, the employment and economic security outcome supports action to increase employment of disabled people, including long-term unemployed disabled people, and to implement long-term work programmes that improve employment outcomes for disabled people. This outcome relies on delivery of other Strategy actions and outcomes, for instance, education, rights protection and justice, attitudes.

www.odi.govt.nz/nz-disability-strategy/

New Zealand's Resettlement Strategy

The Strategy is designed to help refugees once they are accepted to live in New Zealand. It guides a new way of working to achieve improved resettlement with *government agencies* working together, with non-*government* organisations and refugee communities.

The five goals of the Strategy are:

1. Self-sufficiency – all working-age refugees are in paid work or are supported by a family member in paid work;
2. Participation – refugees actively participate in New Zealand life and have a strong sense of belonging here;
3. Health and wellbeing – refugees and their families enjoy healthy, safe and independent lives
4. Education – English language skills help refugees participate in education and in daily life; and
5. Housing – refugees live in safe, secure, healthy and affordable homes, without needing *government* housing assistance.

www.immigration.govt.nz/documents/refugees/refugeeresettlementstrategy.pdf

Pacific Economic Strategy 2015-2021

The Strategy aligns with the Ministry of Business, Innovation and Employment's primary purpose to 'grow New Zealand for all'. It aims to improve Pasifika people's involvement and contribution to the New Zealand economy through:

- More sustainable *Pasifika enterprises*;
- More sustainable job opportunities for Pasifika peoples; and
- More affordable and suitable housing for Pasifika peoples.

The Strategy is focused on actions with the greatest potential to accelerate Pacific economic outcomes. It also provides a platform for bringing together existing information about Pacific economic development to assess opportunities for growth and innovation.

<https://www.mbie.govt.nz/business-and-employment/economic-development/pacific-economic-development/pacific-economic-strategy-2015-2021/>

Grow Regions - Provincial Growth Fund (PGF)

A multi-billion-dollar *Government* investment in regional economic development. Through the PGF, the *Government* seeks to ensure that people living all over New Zealand can reach their full potential by helping build a regional economy that is sustainable, inclusive and productive. This programme is administered by the Provincial Development Unit (PDU).

<https://www.growregions.govt.nz/what-weve-done/projects-we-have-funded/the-provincial-growth-fund/>

PDU - Sector Workforce Engagement Programme (SWEP)

The Sector Workforce Engagement Programme (SWEP) is a *cross-government* initiative to help employers get access to skilled regional staff. It works across industries like horticulture and viticulture, dairy farming, road freight transport, construction, tourism, hospitality and aged residential care.

www.growregions.govt.nz/about-us/sector-workforce-engagement-programme/

Skills for Industry

A Ministry of Social Development's programme that partners with industry (employers and training providers) to prepare people for employment across a number of sectors. This can include pre-employment (provider) training, and in-work (employer) training at a national, regional and local level. It can also include large projects and can prepare a volume of workers for specific entry-level roles.

These partnerships create employment opportunities for people and help address skills and labour shortages.

<https://www.workandincome.govt.nz/employers/subsidies-training-and-other-help/skills-for-industry.html>

Supplier Code of Conduct (the Code)

Sets out the *Government's* expectations of *suppliers to government*, including the *Government's* expectations on ethical behaviour. It is designed to apply to *government suppliers*, rather than to individual public servants, who are governed by the existing State Services Commission's Code of Conduct.

The Code covers expectations of *suppliers*, including *sub-contractors*, in relation to:

- Labour and human rights;
- Health, safety and security;
- Prompt payment;
- Environmental sustainability;
- Ethical behaviour; and
- Corporate social responsibility.

<https://www.procurement.govt.nz/assets/procurement-property/documents/supplier-code-of-conduct.pdf>

The New Zealand Pacific Economy

A 2018 research project and report that employed the Treasury's Living Standards Framework (2017) to identify and delineate the economic footprint of the Pacific community within New Zealand's economy.

<https://treasury.govt.nz/sites/default/files/2018-11/nz-pacific-economy-nov18.pdf>

United Nation's Framework Convention on Climate Change (UNFCCC)

The UNFCCC enables countries to collectively consider how to mitigate climate change and cope with its impacts. New Zealand is a Party to the UNFCCC.

The ultimate objective of the UNFCCC is preventing dangerous anthropogenic (human) interference with the climate system. It states that "such a level should be achieved within a time frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened, and to enable economic development to proceed in a sustainable manner.

Subsidiary agreements, including the *Kyoto Protocol* and the *Paris Agreement* have been ratified by New Zealand.

Under the UNFCCC, the *Government* decided that New Zealand would take an emissions reduction target for the period 2013-2020.

www.mfe.govt.nz/climate-change/why-climate-change-matters/global-response/new-zealand-and-united-nations-framework

Climate Change Response (Zero Carbon) Amendment Act

The Climate Change Response (Zero Carbon) Amendment Act 2019 provides a framework by which New Zealand can develop and implement clear and stable climate change policies that:

- contribute to the global effort under the Paris Agreement to limit the global average temperature increase to 1.5° Celsius above pre-industrial levels
- allow New Zealand to prepare for, and adapt to, the effects of climate change.

<https://www.legislation.govt.nz/act/public/2019/0061/latest/LMS183736.html>

2. Case Insights

Delivering jobs, tourism and transport efficiencies in the Tairāwhiti Region through joint agency roading

NZTA, Gisborne District Council and the Provincial Growth Fund have been working together to create jobs and provide training opportunities for locals in the Gisborne/Tairāwhiti Region through long term roading programme.

- ✓ Opportunities for targeted employment
- ✓ Prosperous and sustainable New Zealand regions

Participants:

- Waka Kotahi
- Provincial Growth Fund
- Gisborne District Council

Creating long term employment opportunities for local people and other key economic benefits for the Gisborne/Tairāwhiti region has been a focus in the establishment of a joint agency programme for roading.

With an estimated \$232M investment in roading, a cross-agency project team has been established to create more jobs, enhance tourism and provide infrastructure for increased movement of people and products. This will be in, around and to the region of Gisborne.

Gisborne District Council knows the importance of supporting local businesses and making Gisborne a place where people want to live and work. The new roading programme embraces this focus by including in the terms of reference specific employment outcomes with associated measures.

Creating a strong governance structure as the project teams are established means social outcomes formulate the basis of the project and become business as usual.

Included in the governance structure are reporting requirements that encompass social outcomes such as jobs created, and training provided to ensure ongoing benefits are delivered.

This programme of works is a journey for all stakeholders, suppliers and the Region, so it is expected that changes may be required including additional outcomes. This is likely to include management of waste and environmental outcomes.

<https://www.nzta.govt.nz/planning-and-investment/national-land-transport-programme/2018-21-nltp/regional-summaries/gisborne-tairawhiti/>



Working with suppliers to manage employment risks

With a focus on people, place and prosperity, New Plymouth District Council's infrastructure team engages with potential and current suppliers prior to tender to identify ways to manage loss of employment risks.

- ✓ Skills and workforce development
- ✓ Prosperous and sustainable New Zealand regions

Participants:

- New Plymouth District Council
- Infrastructure suppliers



The Council's vision is for the Council, together with the community, to be Building a Lifestyle Capital. This vision and its associated community outcomes People/He Tangata, Place/ Tiakina and Prosperity/ Āwhina, are reflected in the Council's infrastructure planning.

The Infrastructure team engages with suppliers (both potential and current suppliers) prior to tendering to diffuse any tension that may exist in the management of supplier transition (should it be required) which has minimised the risk of job losses that could be incurred through tendering.

The Council now issues tenders with a vision statement seeking suppliers to identify ways to upskill the workforce, maintain jobs if transitioning to a new supplier and creating strong, sustainable succession plans. This has meant the New Plymouth District Council is a major contributor toward the Region becoming a Lifestyle Capital.

Economic benefits and Key Performance Indicators are tested prior to locking them in with the supplier.

The District Council recognises that establishing longer terms in contracts provides surety of work for the suppliers to create roles and develop their teams to build capability and investment in the people to deliver benefits for individuals, suppliers and the region. With strong job prospects, people want to stay in the region.

In some cases, the Council has been able to provide funding to support creation of roles. In addition, research has shown that through skills training and development of individuals the management of assets has been enhanced. This is because team members are trained to be build better assets and the risk of damage at build or errors during the build are reduced reducing the requirement for re-work.

Incorporating better safety practices into contracts to reduce injury

New Plymouth District Council have taken their health and safety focus to a new level by defining safety practices into their contracts to ensure injury reduction.

✓ Sustainable, fair and equitable employment environments

Participants:

- New Plymouth District Council
- Infrastructure suppliers

Health and safety has been a focal point for New Plymouth District Council for a long time and creating a safe space to work on infrastructure projects provides unique challenges.

One of the areas noted as creating a high safety risk was in the laying of roading. A standard process had vehicles regularly reversing on site to realign for the next roll out of tar, gravel and other components to create the roading.

New Plymouth District Council and Downer created a working group to identify ways to enhance safety. With a mantra of 'Do Something Awesome', the group was empowered to experiment and innovate.

When on site, Downer and New Plymouth District Council realised the risk of injury to the team as well as public increased through the reversing of vehicles. Additional staffing was also required in the traffic management process.

By changing behaviour on site so reversing trucks were not permitted, the team were provided a safer site to work in.

Training was developed to highlight the reasons why the changes were to be made; the team were encouraged to be the leaders in the change.

In addition to providing a safer work environment, the team increased their skills in safety and economic modelling highlighted no change to cost, time and effort in the delivery of the project.

<https://www.newplymouthnz.com/Business/Working-with-the-Council/Contractor-Information>



Improving access to opportunities for Māori and Pasifika enterprises

The Southern Initiative has created a register of Māori and Pasifika enterprises so they can link with potential and current customers in all sectors. Known as *He Waka Eke Noa*, it is New Zealand's first social and sustainable procurement supply register.

- ✓ Opportunities for Māori enterprises
- ✓ Opportunities for Pasifika enterprises
- ✓ Skills and workforce development
- ✓ Prosperous and sustainable New Zealand regions
- ✓ Environmentally sustainable practices and outputs

Participants:

- The Southern Initiative
- Auckland Council
- Pacific Business Trust
- Te Puni Kōkiri



He Waka Eke Noa connects Māori and Pasifika-owned businesses with clients and buyers wanting to purchase goods, services and works. It was established by The Southern Initiative team in Auckland Council in collaboration with City Rail Link Limited, Te Puni Kōkiri, Ministry of Pacific Peoples and the Pacific Business Trust.

The Southern Initiative believes that Māori and Pasifika businesses are an untapped pathway for socio-economic transformation for Māori and Pasifika peoples. Māori and Pasifika have not shared in the prosperity of Auckland's economic growth; He Waka Eke Noa helps to mitigate this.

He Waka Eke Noa is based on Australia's Supply Nation, the intermediary for the Australian government's Indigenous Procurement Policy (IPP) which was introduced in 2015.

The name He Waka Eke Noa is taken from a famous Māori whakataukī (proverbial saying) which translates as 'the canoe which we are all in without exception'. It refers to acting as a collective, working in unity and leaving no one behind.

He Waka Eke Noa is committed to supporting Māori and Pasifika entrepreneurship. In addition to making an important contribution to the economy, we know that many Māori and Pasifika businesses are also delivering significant social outcomes for the people of Tāmaki Makaurau (Auckland), especially those who face disadvantage and hardship.

<https://www.wen.org.nz/>

Building partnerships with corporate business to support environmental sustainability

Unwanted office furniture, IT equipment, corporate items or end-of-line stock no longer needs to gather dust in storage or to be dumped. Through All Heart NZ, unwanted 'stuff' can be put into a circular economy and redirected or repurposed to charitable and community organisations, while creating opportunities for employment.

- ✓ Opportunities for targeted employment
- ✓ Environmentally sustainable practices and outputs

Participants:

- All Heart NZ

All Heart NZ provides one-stop, simple, and cost-effective services for corporate waste diversion for all unwanted goods. Their national service can provide services in office relocation, inventory/asset registration, freight, project management and deconstruction services.

All Heart NZ is a *fwd Certified social enterprise* with the Ākina Foundation (www.fwd.org.nz).

All Heart NZ's business model is centred around their zero-waste Sustainability Framework, and entering Corporate Partnerships for their services. By recycling and upcycling used unwanted office furniture and equipment, the corporate surplus is given a new life and distributed to charitable organisations and community groups across New Zealand and the South Pacific. This business model promotes a sustainable full circle economy, positively impacts those most in need and reduces waste to landfill.

With over 1,500,000 kgs saved from going to landfill and more than 145 community groups supported since 2017, All Heart NZ brings hope and dignity to those in need around New Zealand and the Pacific Islands. It provides tangible and meaningful support to community groups in their efforts, including the relief of poverty, providing practical and emotional support, alternative education, safe housing, employment creation and health and social care.

All Heart NZ also directly employs individuals and works to grow and foster other Social Enterprises that generate employment opportunities for people marginalised out of employment.

<https://allheartnz.org.nz>

<https://www.theimpactinitiative.org.nz>

<https://www.theimpactinitiative.org.nz/case-studies/all-heart>



Addressing the employment divide through employment and training pathways

Pathway helps our most marginalised people make a fresh start through reintegration support, accommodation and employment opportunities with people leaving prison. Pathway operates social enterprises to fund the social services that underpin their purpose, working in the industries of professional container devanning, commercial seating and furniture manufacturing.

- ✓ Opportunities for targeted employment
- ✓ Sustainable, fair and equitable employment environments

Participants:

- Pathway Charitable Group

Pathway provides opportunities for training and employment to some of society's most marginalised people, while also providing the reintegration support of counselling and accommodation necessary for creating a new pathway in life.

Pathway operates multiple social enterprises, including Alloyfold and Oak Tree Devanning. These businesses are both *fwd Certified social enterprises* with the Ākina Foundation (www.fwd.org.nz).

Alloyfold offers an extensive range of commercial seating with over 150 different commercial seating and furniture products suitable for public, education, corporate and sporting facilities. Their product range includes stadium and auditorium seating, church, cinema and performance venue seating, and they can deliver products in NZ and internationally.

Oak Tree Devanning is a professional container devanning company that specialises in container devanning and loading services in Canterbury. They provide fixed-cost container services with short response and turnaround times providing a reliable outsourcing option for businesses. Oak Tree Devanning provides stable employment, work readiness skills and training opportunities for people typically marginalised out of employment.

Alloyfold and Oak Tree Devanning's profits go to Pathway Charitable Group.

Pathway's social impact is spread across three areas: reintegration for prisoners returning to the community, accommodation for vulnerable people in need of a home, and employment for people with barriers to finding a job.

Independent research has confirmed that ex-offenders who engage with the Pathway reintegration programme are 33% less likely to be re-convicted and 43% less likely to be re-imprisoned within 12 months of release. In 2017, Pathway helped 54 former prisoners get jobs, 57% of whom staying in employment for longer than six months.

"Everyone in prison came from the community and most will eventually return to the community. How well they are supported in this transition will have a major impact on how many reoffend and return to prison. This is a choice." Carey Ewing, Reintegration Manager, Pathway.

<https://www.pathway.org.nz>

<https://www.theimpactinitiative.org.nz>

<https://www.theimpactinitiative.org.nz/case-studies/pathway-charitable-group>

3. Glossary

Some words, abbreviations and acronyms used in the *Framework* have a special meaning and are marked in italics or capitalised, e.g. 'Government' and '*public value*'. The special meaning applies when the word, abbreviation or acronym is expressed in the singular or plural form, e.g. *agency* or *agencies*. The special meanings are set out below in alphabetical order.

Term	Definition
Agency (Agencies)	A generic term used in the <i>Government Procurement Rules</i> to refer to New Zealand <i>government</i> entities across the Public Sector.
Broader outcomes	In October 2018, the Government agreed to a set of priority outcomes for <i>agencies</i> to leverage from their <i>procurement activities</i> and identified specific contracts or sectors for initial focus.
Broader Outcomes Plan	A <i>procurement plan</i> that establishes a clear path of action/s and associated roles and responsibilities to enable achievement against the <i>broader outcomes</i> .
Broader Outcomes Strategy	A document that provides clear guidance to <i>government buyers</i> and <i>contract managers</i> , as well as <i>suppliers</i> on an <i>agency's broader outcomes</i> strategic direction and associated activities. It works to ensure accountability progress, performance and continuous improvement. It is developed as part of an <i>agency's</i> overarching <i>procurement</i> planning.
Buyer	The individual(s) in an <i>agency</i> responsible for planning, creating, and/or sourcing <i>goods, services</i> or <i>works</i> by, or on behalf of, an <i>agency</i> .
Community well-being	The Local Government Act 2002 has recently been amended to incorporate four aspects of community well-being and provides for local authorities to play a broad role in promoting the social, economic, environmental and cultural well-being of their communities by taking a sustainable development approach. The term community well-being is used interchangeably with the term broader outcomes in this Framework.
Contract manager	The individual(s) in an <i>agency</i> responsible for planning and managing a contract for <i>goods, services</i> or <i>works</i> for, or on behalf of, an <i>agency</i> .
Framework	This Broader Outcomes Framework.
Goods	As defined in the <i>Government Procurement Rules</i> , items which are capable of being owned. This includes physical <i>goods</i> as well as intangible property such as intellectual property.
Government	Refers to the formally elected New Zealand Government.
government	Refers to the collective of <i>government agencies</i> or the general function of the <i>government</i> .
Government Procurement Rules (the Rules)	The <i>Government's</i> standards of good practice for <i>government procurement</i> .
Māori enterprise	A registered Māori business can be defined as being a business that is: <ul style="list-style-type: none"> • <i>Māori owned: at least 50% of the ownership is held by Māori (including individuals, collectives and/or businesses); or</i> • <i>Uses the current Inland Revenue eligibility to be a Māori authority (i.e.; is eligible for a Māori authority tax code).</i> (Source: Māori Economic Development Advisory Board)
MBIE	Ministry of Business, Innovation and Employment.
Pasifika enterprise	In the absence of a formal definition, the <i>Framework</i> acknowledges that: <ul style="list-style-type: none"> • <i>Pasifika enterprises</i> comprise both businesses and not-for-profit community organisations; and • New Zealand's Pasifika peoples are a diverse group who align themselves from many different Pacific Island nations and communities with the main ethnicities including Samoan, Cook Island Māori, Tongan, Niuean, Fijian, Tokelauan and Tuvaluan.
Procurement	As defined in the <i>Government Procurement Rules</i> , all aspects of acquiring and delivering <i>goods, services</i> and <i>works</i> . It starts with identifying the need and finishes with either the end of a <i>service</i> contract or the end of the useful life and disposal of an asset.
Procurement activity	An individual <i>procurement</i> project to source <i>goods, services</i> or <i>works</i> .
Procurement Plan	As defined in the <i>Government Procurement Rules</i> , a plan to analyse the need for specific <i>goods, services</i> or <i>works</i> and the outcome the <i>agency</i> wants to achieve. It identifies an appropriate strategy to approach the market, based on market research and analysis, and summarises the proposed <i>procurement</i> process. It usually includes the indicative costs (budget), specification of requirements, indicative timeline, evaluation criteria and weightings.
Public value	As defined in the <i>Government Procurement Rules</i> , getting the best possible result from your <i>procurement</i> , using resources effectively, economically, and without waste, and taking into account: <ul style="list-style-type: none"> • The total costs and benefits of a <i>procurement</i> (total cost of ownership), and • Its contribution to the results you are trying to achieve. The principle of <i>public value</i> is about getting the best possible result over the whole-of-life of the <i>goods, services</i> or <i>works</i> .

	<p><i>Public value</i> includes considerations that are not solely focused on price, for instance what benefit your <i>procurement</i> could bring to the local community or environment.</p> <p>Selecting the most appropriate <i>procurement</i> process that is proportionate to the value, risk and complexity of the <i>procurement</i> will help achieve <i>public value</i>. Good <i>procurement</i> is about being risk aware, not risk averse.</p>
Services	As defined in the <i>Government Procurement Rules</i> , acts or work performed for another party. No transfer of possession or ownership takes place when services are sold, and they cannot be stored or transported; they are instantly perishable and only exist at the time they are provided.
Social enterprise	<p>In the absence of a formal legal definition, this <i>Framework</i> applies the definition of a <i>social enterprise</i> that is used by Ākina – that:</p> <ul style="list-style-type: none"> • The social, cultural and/or environmental mission provides a public or community benefit and that is the primary purpose of the organisation; • The majority of income is from trading a <i>good</i> or a <i>service</i>; and • The majority of either expenditure or profit is spent in the fulfilment of the purpose of the organisation.
Social procurement	<p>Means the <i>government</i> using its buying power to deliver <i>public value</i> through the objectives of this <i>Framework</i>, beyond the value of the <i>goods</i>, <i>services</i> or <i>works</i> being purchased.</p> <p>The term <i>social procurement</i> is used interchangeably with the term <i>Broader Outcomes</i> in this <i>Framework</i>.</p>
Sub-contractor	A person, business, company or organisation that <i>supplies</i> or can supply <i>goods</i> , <i>services</i> or <i>works</i> for an <i>agency</i> via a <i>supplier</i> that enters into a <i>government</i> contract for the delivery of <i>goods</i> , <i>services</i> or <i>works</i> .
Supplier	As defined in the <i>Government Procurement Rules</i> , a person, business, company or organisation that supplies or can supply <i>goods</i> , <i>services</i> or <i>works</i> to an <i>agency</i> .
Surge region	The <i>Provincial Growth Fund</i> , funded by the New Zealand <i>Government</i> , prioritises six "surge" regions: Tai Tokerau/Northland; Bay of Plenty; Tairāwhiti/East Coast; Hawke's Bay; Manawatū-Whanganui; and West Coast.
Te Ara Kotahi – Waka Kotahi NZ Transport Agency's Māori Strategy	<p>The vision for the strategy is to ensure Waka Kotahi and iwi Māori working together to succeed for a better New Zealand. The two pou (strategic aspirations) relevant to the framework are Partnerships and strong and vibrant Māori Communities.</p> <p>Key priorities under the strategy are:</p> <ul style="list-style-type: none"> • Partnering for prosperity; • Support the Māori Community • Improve social wellbeing; • Caring for the environment <p>https://www.nzta.govt.nz/about-us/about-the-nz-transport-agency/maori-and-the-transport-agency/</p>
Works	Covers new works for a new build or refurbishment works to an existing construction.



Report to Council



DATE: 28 March 2024
TO: Mayor and Councillors
FROM: Chief Executive

FRANZ JOSEF/WAIAU RATING DISTRICT – CHANGES TO JOINT COMMITTEE AGREEMENT

1. Summary

- 1.1. The purpose of this report is to endorse the amended Franz Josef/Waiiau Rating District Joint Committee Agreement.
- 1.2. This issue arises from the need for the West Coast Regional Council (WCRC) and Westland District Council (Council) to record their agreement to jointly manage the maintenance of the Franz Josef/Waiiau Floodwalls, via a Joint Committee of the two Councils, Te Rūnanga o Makaawhio, Waka Kotahi/NZ Transport Agency, and Department of Conservation and community members.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2021, which are set out in the Long Term Plan 2021 - 2031. Refer page 2 of the agenda.
- 1.4. This report concludes by recommending that Council receive the report and endorse amendments to the Franz Josef/Waiiau Rating District Joint Committee.

2. Background

- 2.1. The reason the report has come before Council is that in 2021-2022 the Council worked with WCRC and other parties on the establishment of the Franz Josef/Waiiau Rating District Joint Committee. The Franz Josef/Waiiau Joint Agreement was signed by all parties in June-July 2022.
- 2.2. The key changes are to provide for the appointment of eight community members and a related change to the quorum and appoint a third West Coast Regional Councillor to the Franz Josef/Waiiau Rating District Joint Committee. Other minor changes ensure that the Agreement is up to date.

3. Current Situation

3.1 The Joint Agreement sets out the membership of the Committee. The current members of the Joint Committee are:

- Councillor Campbell, WCRC (Chair of the Joint Committee)
- Councillor Haddock, WCRC
- (one WCRC Councillor vacancy, to be appointed)
- Mayor Helen Lash (Deputy Chair of the Joint Committee)
- Deputy Mayor Cassin, Westland District Council

- Councillor Manera, Westland District Council
- Paul Madgwick, Te Rūnanga o Makaawhio
- Mark Davies, Department of Conservation
- James Caygill, New Zealand Transport Agency
- Eight community members (if agreed at this meeting)

3.2 The Joint Agreement reached between the parties to establish and operate the Joint Committee currently provides for two community members to be on the Joint Committee as follows:

7. *Two community members will be appointed to the Joint Committee by the WCRC and WDC, following a call for nominations. The initial community members shall be the spokespersons from the previous rating districts. New community members will be appointed as vacancies arise and the term of the appointments will match the local government constituent's appointments. The nomination process shall be administered by the WCRC, in consultation with WDC.*

3.3 Through recent consultation, the Franz Josef South Side Group has expressed a preference for there to be four community representatives from the south side, rather than one from each of the previous rating districts as provided for in the current agreement. An increase in the number of community representatives to four from each side of the Waiho River was subsequently supported by the Franz Josef Rating District Joint Committee at their recent meeting.

3.4 To increase the number of community member representatives from two to eight, with four from the north side and four from the south side of the Waiho River, requires an amendment to the Joint Agreement. Changes to the Joint Agreement need the formal approval of both Council and WCRC. Approval is therefore sought for Council to approve an amendment to clause 7 of the Joint Agreement, to increase the number of community representatives on the Joint Committee. If Council resolves in favour of such a change, the Council will then be asked in a separate paper to consider and make appointments from a list of nominees for the eight community representatives.

3.5 Amendment to Quorum

The addition of six community members to the Joint Committee also has implications for the quorum of the committee and a consequential change to that clause is also recommended. This will ensure the change complies with the Local Government Act 2002 (LGA).

The current quorum is a minimum of five members. In order to maintain the quorum as a majority of the members of the Joint Committee, the addition of six further community members will require the quorum to be increased to nine. This is required by the Local Government Act. It is also proposed to amend the quorum clause in the Agreement to specify the make-up of the quorum and identify the parties that must be present to form a quorum.

A consequential change is sought to enable a delegate to attend for either Council, if necessary to meet quorum requirements. WDC shall appoint the Mayor for Westland, plus the two elected South Westland Councillors (or a delegate) to the Joint Committee.

These changes are shown in **Attachment 1**.

3.6 WCRC Members

The Joint Agreement provides that:

2. *WCRC shall appoint three elected Councillors to the Joint Committee, being two Councillors from the Westland constituency and the Chair of WCRC. If the Chair of WCRC is from the Westland constituency, then the third Councillor will be appointed from another constituency.*

As the Chair of WCRC, Councillor Haddock, is from the Westland constituency, another Councillor will need to be appointed.

3.7 Other Minor Amendments

WCRC Engineering staff have also recommended a change to the term 'floodwalls' which is used throughout the Agreement, to update it to 'flood defence assets' which is more accurate.

WDC have expressed a preference for the minimum meeting frequency to be changed from annually to twice a year, given the current situation and upcoming matters at Franz Josef. A change is therefore recommended to Clause 14 of the Agreement, as follows:

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

At the December Joint Committee meeting, Mayor Lash noted an incorrect cross-reference in the Agreement, and this correction is also shown in the attachment.

4 Options

4.1 Option 1: Adopt the changes to the Joint Committee Agreement.

4.2 Option 2: Not adopt the changes to the Joint Committee Agreement

5 Risk Analysis

5.1 Risk has been considered as follows:

- Reputational Risk if the community do not think that their opinion has been taken into account.
- Statutory Risk if the quorum requirements are not in line with the Local Government Act.

6 Health and Safety

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

7 Significance and Engagement

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

7.1.1 The views of Rūnanga, Waka Kotahi NZ Transport Agency, and the Department of Conservation (DOC) as the other members of this joint committee have been sought on the proposal. Both the Rūnanga and DOC representatives support the proposed amendments. NZTA were also advised of the proposed update but no feedback to date has been received.

8 Assessment of Options (including Financial Considerations)

8.1 Option 1 – To receive the report and adopt the recommendations. This will enable all stakeholders oversight of the governance of the Waiho River protection works and provide direction to the West Coast Regional Council.

8.1.1 There are no financial implications in adopting Option 1. The Committee's activities are provided for in existing budgets.

8.2 Option 2 – To receive the report and not adopt the recommendations. This would mean that none of the changes outlined would be adopted into the Joint Agreement.

8.1.2 There are no financial implications to this option.

9 Preferred Option(s) and Reasons

9.1 The preferred option is Option 1.

9.2 The reason that Option 1 has been identified as the preferred option is that the Franz Josef/Waiiau South Side Group has expressed a preference for there to be four community representatives from the south side, rather than one from each of the previous rating districts as provided for in the current agreement. Increasing the number of representatives requires amending the quorum.

10 Recommendations:

10.1 That the report be received.

10.2 Approve the amendments to the Franz Josef/Waiiau Rating District Joint Committee Agreement as shown in Attachment 1 to the agenda, including the following:

- Amendment of Clause 7 to provide for the appointment of eight community members, four from each side of the Waiho River.
- Amendment of Clause 13 to alter the required quorum from five to nine and specify the make-up of the quorum needed to hold a meeting.
- Providing for the appointment of a delegate from each Council to attend meetings in place of appointed Councillors, where necessary;
- Updating the term 'floodwalls' to 'flood defence assets', for accuracy.
- Including a minor amendment to correct a cross-reference in Clause 24.

Simon Bastion
Chief Executive

Appendix 1: Franz Josef/Waiiau Rating District Joint Committee Agreement, June 2022 (including Proposed Revisions – March 2024).



Franz Josef Rating District Joint Committee Agreement

June 2022

Including Proposed Revisions – March 2024



DOCUMENT CONTROL

Reason for Submission	Revision Number	Revision Date	Approval
New Document		1 July 2021	
Version 1 - draft		November 2021	Initial review by West Coast Regional Council and Westland District Council
		December 2021	Review by Department of Conservation and Waka Kotahi
	Final	14 December 2021	Adoption by West Coast Regional Council
	Final	24 March 2022	Adoption by Westland District Council
<u>Version 2</u>	<u>1</u>	<u>February 2024</u>	<u>Revision drafted to amend membership and quorum, and other minor amendments</u>
			Adoption of Version 2 by West Coast Regional Council
			Adoption of Version 2 by Westland District Council



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

Updated on [date of adoption by Councils]

PARTIES

WESTLAND DISTRICT COUNCIL (“WDC”)

WEST COAST REGIONAL COUNCIL (“WCRC”)

TE RŪNANGA O MAKAAWHIO (“MAKAAWHIO”)

NEW ZEALAND TRANSPORT AGENCY (“WAKA KOTAHI”)

DIRECTOR-GENERAL OF CONSERVATION (“DOC”)

AGREEMENT

BACKGROUND

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

STRUCTURE AND OPERATION OF THE COMMITTEE

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



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

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



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

14. Meetings shall be held ~~annually~~ **biannually** or as otherwise agreed by the Joint Committee.
15. Notification of meetings and the publication of agendas and reports shall be conducted in accordance with the requirements of Part 7 of the Local Government Official Information and Meetings Act 1987, and will be undertaken by the secretariat.
16. Minutes of all Joint Committee meetings shall be provided to the next meeting of the respective Councils.

TERMS OF REFERENCE & DELEGATIONS

17. Each year the Joint Committee shall consider any staff and/or expert reports, ascertain what work and budget requirements will be for the coming year and make a recommendation to each parent Council for annual planning and action.
18. The Committee shall not have any funding or rate setting authority.
19. WCRC as the Rating Body for the Franz Josef Rating District is the final decision maker on the annual work plan and setting the appropriate rate to fund the agreed works.
20. The Joint Committee's role is to review the annual work plan provided to it by the WCRC, receive and consider any independent expert advice, and make informed recommendations to WCRC for the final decision. The Committee may also make recommendations to the WCRC regarding:
 - Commissioning independent expert reports; and
 - Undertaking public consultation on boundary changes, major capital works and other areas of significant public interest.

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

21. Where Committee recommendations relate to the functions of the WDC, WDC shall consider and make decisions on any recommendations accordingly.
22. Without limiting the ability of the Joint Committee to recommend the most appropriate arrangements for works and funding, in relation to the Franz Josef ~~floodwalls~~ **flood defence assets** the WDC shall be responsible for all works and funding relating to:
 - Stormwater management, including any pump station operation and maintenance and floodgates on drainpipes and their operation and maintenance.
23. Without limiting the ability of the Joint Committee to recommend the most appropriate arrangements for works and funding, in relation to the Franz Josef ~~floodwalls~~ **flood defence assets** the WCRC shall be responsible for all works and funding relating to:
 - The maintenance and repair of the structural integrity of the ~~floodwalls~~ **flood defence assets** managed under WCRC Asset Management Plans;
 - The provision of flood warning advice to WDC for the Waiho River; and



- Ownership of the ~~floodwalls~~ **flood defence assets** as identified in WCRC Asset Management Plans.

24. The WCRC has constituted a "Franz Josef Rating District" and reserves the right to raise such funds as it may need to carry out its functions under clause ~~8~~ **23** above from this source.
25. The WDC will fund the performance of its functions under clause 22 above from such sources that are available that it may determine.

Variation of this Agreement

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



SIGNATURES

SIGNED by

WESTLAND DISTRICT COUNCIL

In the presence of:

_____ by its authorised signatory

_____ Witness signature

_____ Witness name

_____ Witness Occupation

_____ Witness Town of Residence

SIGNED by

WEST COAST REGIONAL COUNCIL

In the presence of:

_____ by its authorised signatory

_____ Witness signature

_____ Witness name

_____ Witness Occupation

_____ Witness Town of Residence



SIGNED by

TE RŪNANGA O MAKĀAWHIO

In the presence of:

_____ by its authorised signatory

_____ Witness signature

_____ Witness name

_____ Witness Occupation

_____ Witness Town of Residence

SIGNED by

NEW ZEALAND TRANSPORT AGENCY

In the presence of:

_____ by its authorised signatory

_____ Witness signature

_____ Witness name

_____ Witness Occupation

_____ Witness Town of Residence

SIGNED by

DIRECTOR-GENERAL OF CONSERVATION

In the presence of:

_____ by its authorised signatory

_____ Witness signature

_____ Witness name

_____ Witness Occupation

_____ Witness Town of Residence