Water Services Delivery Plan

West Coast Water Services Organisation

Buller District Council

Grey District Council

Westland District Council

3 September 2025

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Part A: Statement of financial sustainability, delivery model, implementation plan and assurance

Statement that water services delivery is financially sustainable

Westland, Grey and Buller District Councils (West Coast Councils) have committed to establishing a joint Water Services Council Controlled Organisation (WSCCO), with an intention that it commence the delivery of all three water services by 1 July 2027. To achieve this, they will complete all necessary transitional requirements, agree all governance arrangements, legal transfers and operational agreements and establish a WSCCO that will deliver on agreed objectives and meet legislative and regulatory requirements.

The West Coast Councils confirm that this Water Services Delivery Plan (WSDP) ensures that water services will be delivered in a financially sustainable manner, by 30 June 2028 at the latest and that water services delivery will meet the Financially Sustainable delivery assessment outlined in Part D of this plan.

Part D outlines the following:

- Transitional arrangements to ensure financially sustainable water services provision by 30 June 2028.
- Revenue requirements to meet costs of water services delivery over the Plan period.
- The proposed levels of investment required over the Plan period.
- Funding and financing arrangements to deliver the proposed levels of investment.

The West Coast Councils each used the temporary legislative amendment made available by the Water Services Acts Repeal Act 2024 to delay their Long-term plan by a year (adopting their Long-Term Plans in 2025). Each Council has developed an Asset/Activity Management Plan (AMP) for each of the 3 Waters as part of their Long-Term Plan (LTP). Within each AMP, there is an outline capital programme for each of the 3 Waters. Grey and Westland District Councils have used the Capital Programmes from their AMP(s) as a basis for this plan.

To enable Buller to meet the Financially Sustainable delivery assessment outlined in Part D, an enhanced Capital Programme has been developed that responds to the existing regulatory challenges outlined in their AMP. This enhanced Capital Programme has been referred to as the AMP+. A summary of the key additions as compared to its LTP 2025 is provided in Part B.

The capital programme used to support public consultation on the Water Services Delivery options was the combination of the AMPs for Westland and Grey and the AMP+ for Buller. Currently the three programmes are stand-alone. During the implementation phase for the new WSCCO, the overall Capital Programme will need to be reviewed for alignment, effectiveness and overall deliverability.

Why a West Coast Council Controlled Organisation?

The West Coast, Te Tai Poutini, region runs over 600km along the West Coast of the South Island between the Tasman Sea and the Southern Alps. The region is approximately 23,276 km^2 in area and extends from Karamea to Haast. It is one of the most sparsely populated areas of the country, with just 1.4 people per square kilometre compared to 15 in wider New Zealand. Long, thin and with minimal access, the region encompasses the territorial authorities of Buller, Grey and Westland districts, with the principal towns being Westport, Greymouth and Hokitika, respectively.

Te Tai Poutini is known for its untamed natural wilderness, with the natural environment containing glaciers, temperate rain forests and World Heritage Sites. The headwaters of the Southern Alps receive over 10 metres of rainfall annually. This high rate of precipitation, coupled with the topography of the land, increases the frequency of natural hazards which impose significant threats to our economy and infrastructure.

The West Coast is geographically diverse. Ranging from provincial towns through to remote wilderness areas. Approximately half of the residents live in the main centres of Westport, Greymouth and Hokitika with the remaining residents dispersed in small towns and rural areas across the region.

Geographically, socio-culturally and economically, the West Coast is primarily a rural area. Residents are drawn to the untamed natural wilderness and the outdoor lifestyle and recreational opportunities it creates. However, due to the remote nature of the region the West Coast experiences little growth in population. Consequently, the largest industries include agriculture, forestry and fishing, electricity, gas, water and waste, mining, construction, manufacturing, and tourism.

Tourism is one of the largest contributors to GDP (Gross Domestic Product) on the West Coast, contributing $220 million in 2024. This contributed 7.4% to the region's economic output and has grown 3.3% on average since 2020. During the summer season locally funded water infrastructure is required to support up to an additional 1.5 million users currently and this is expected to increase. The tourism sector is not an industry but comprises parts of various industries including accommodation, food services, retail, arts and recreation services and transport.

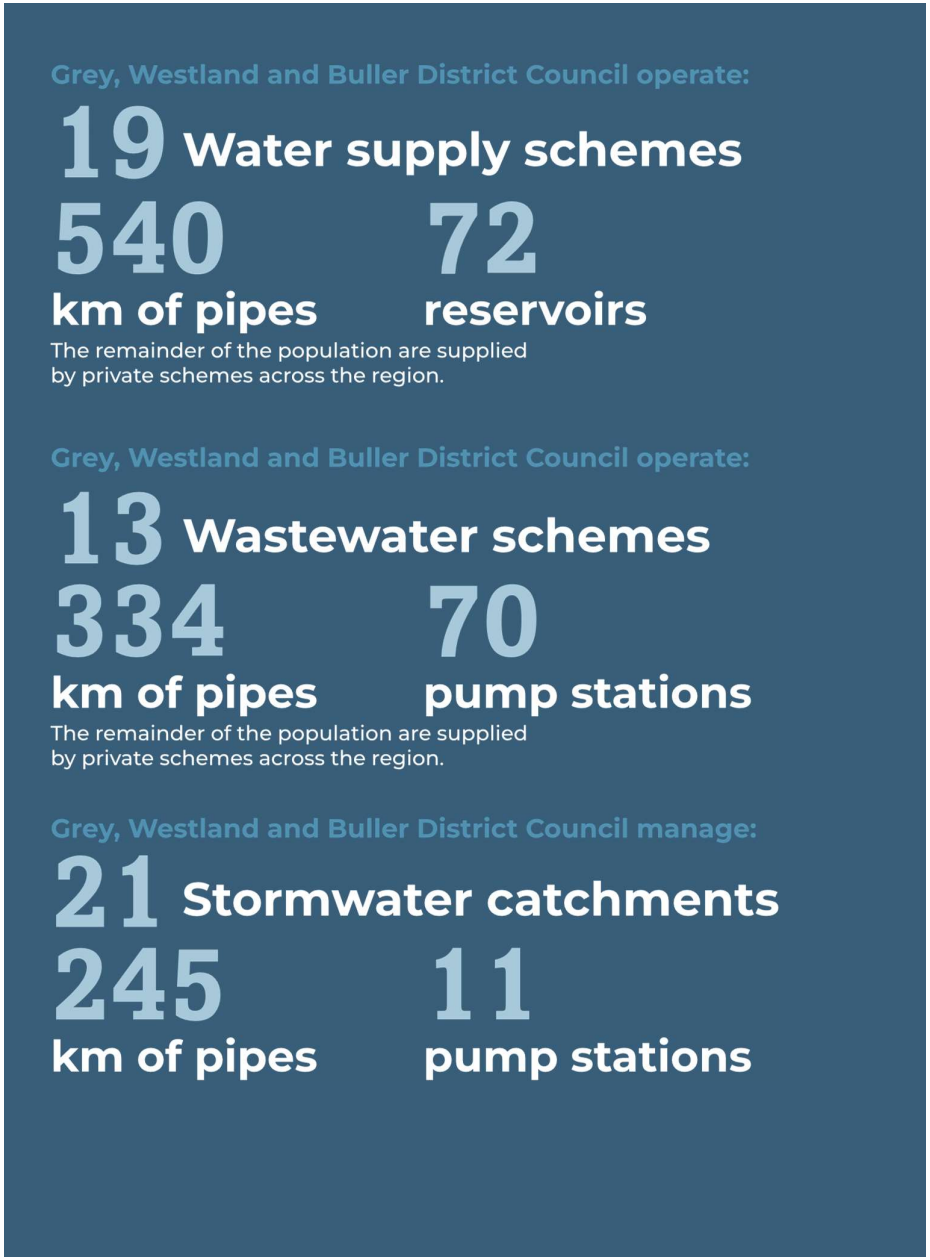
Our tourism sector focuses on the districts' untamed natural environment with features such as Franz Josef and Fox Glaciers, Hokitika Gorge, West Coast Wilderness Trail, Kawatiri Cycle Trail, Pancake Rocks, Old Ghost Road and the Paparoa Track.

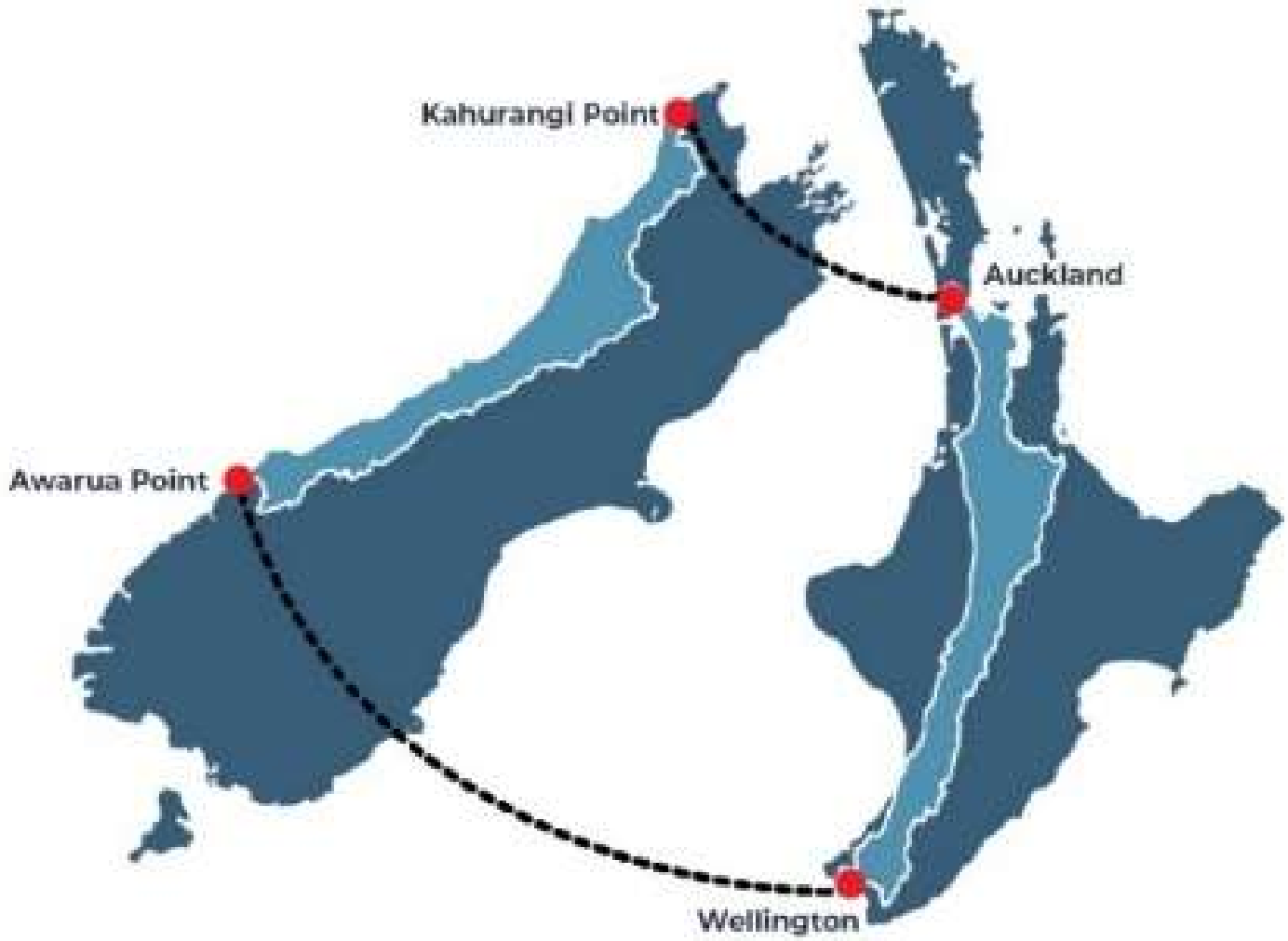
The type of tourism on the West Coast is expected to change and diversify as operators move to more sustainable practices given the implications of climate change. There is also growth in cultural tourism with new leading edge immersive visitor experience centres, Pounamu Pathways, operating in Westport, Punakaiki and Greymouth, with more opening in Hokitika and Franz Josef.

The West Coast region has a current population of 34,300 people which is expected to continue to grow about 0.5% each year. The West Coast region needs to ensure that infrastructure assets continue to meet the needs of the community now and in the future.

Across all West Coast Councils there is a history of deferring renewals. This combined with aging infrastructure has led to a bow-wave of renewals requiring infrastructure investment. Across the nine years of the current LTP, Grey, Buller and Westland District Councils have collectively set aside $86.5 million, $124.9 million, $47.1 million for investment in drinking water, wastewater and stormwater services respectively. Alongside this, the Councils' 30-year infrastructure strategies outline their risk-based renewal programmes and show the extent to which the infrastructure is already exceeding its expected lifespan.

The West Coast Councils already collaborate to deliver a number of services including transport and solid waste. Whilst the region has significant challenges due to its geography and sparse population, a joint WSCCO that retains a primary focus on the West Coast will ensure that the culture, challenges and voice of the West Coast remains at the heart of water services delivery.





This geographic comparison reflects the challenge of administering such a long geographic area with a population of just over 33,000 in scattered communities with a tiny rating base of about 15,000 units.

Proposed delivery model

The West Coast Councils have agreed to establish a joint WSCCO that will be transferred responsibility (and assets) for all 3 Waters Services (Drinking Water, Wastewater and Stormwater). It will deliver water services across the entire West Coast region. The intention is for all transfers to be concluded by 1 July 2027 including all associated revenue, expenditure, assets and liabilities.

The West Coast Councils have collaborated to agree the proposed delivery model, with an outline approach set out in a Heads of Agreement between the Councils.

Establishment Principles

The West Coast Councils have agreed the following establishment principles, that will be used to guide the establishment of the joint WSCCO:

- **Deliver quality services:** Provide reliable, affordable water services to all three West Coast Districts, while staying financially sustainable and prepared for natural disasters.
- **Meet the rules:** Meet regulatory compliance requirements by Taumata Arowai, the Commerce Commission and the West Coast Regional Council.
- **Smooth transition:** Protect staff, honour existing contracts, and continue to deliver Council LTPs until transition, ensuring no interim decisions are made by Councils that could negatively impact on the WSCCO.
- **Efficient costs:** Consider options like shared services to minimise setup costs and complexities for Councils and the WSCCO.
- **Clear roles:** Clarity of Governance, steering group and delivery teams' roles and responsibilities to ensure everyone is comfortable with who does what.
- **Flexibility:** Allow room to adapt if changes are available that better support agreed objectives.
- **Simple and transparent**: Make the transition easy to understand for Councils, communities, mana whenua and staff with regular, effective and transparent communications.

Ownership and Governance arrangements

The WSCCO will be jointly owned by the three Councils with shareholding based on the value of net assets transferred. Despite unequal shareholding, the West Coast Councils have agreed that governance arrangements will be split equally.

In terms of shareholding, the initial estimate net asset values have been based on 2024 valuations using different valuation methods. An updated valuation will be required along with agreement on debt transfer before the final shareholding percentages are agreed.

Council	Shareholdings
Westland	22.3%
Grey	54.0%
Buller	23.7%

In terms of governance, the West Coast Councils have agreed to establish a Shareholders Representative Forum, as outlined in the following diagram.

The Shareholders Representative Forum will be formally established as part of the development of foundational documents and transitional arrangements, with the key terms outlined in the Heads of Agreement entered into by the West Coast Councils.

In summary, the Heads of Agreement outlines that the Shareholders Representative Forum will:

- Comprise Council representatives of the Councils (expected to be the Mayor and two elected members).
- Be established as a form of a subordinate decision-making body, under schedule 7 of the Local Government Act 2002.
- Have agreed delegations from each of the three Councils to ensure the Forum is effective and able to exercise substantive decision-making powers.
- Decisions will be made by full Council and brought to the table by the appointed delegates.
- Include one iwi representative for Te Rūnanga o Ngāti Waewae and one for Te Rūnanga o Makaawhio. As with the Council representatives, they are intended to have full voting rights.

The responsibilities of the Forum will include, but not be limited to:

- Appointing the WSCCO Board members.
- Appointing the Board Chair.
- Developing the Statement of Expectation.
- Monitoring performance through transition and after the WSCCO is operational.

The West Coast Councils have agreed that the Board of the WSCCO will have five directors. Appointments to the Board will be staggered to ensure continuity with a maximum initial term of three years and maximum overall tenure of nine years. A matrix outlining skill requirements will be developed and is expected to include the following:

- Water sector expertise (technical, regulatory, environmental).
- Capability in governance and risk management.
- Financial acumen.
- Understanding of Māori/iwi engagement and Te Tiriti o Waitangi obligations.
- Understanding of community and stakeholder engagement expectations.
- Infrastructure and asset management expertise.
- Local knowledge of, and commitment to the West Coast region.
- Transitional governance capability (during the transition).

The organisational structure will be formalised as part of the Transition process but is expected to reflect the table below.

Key responsibilities for each of the leadership roles is expected to include:

Chief Operating Officer

- Asset management
- Capital delivery
- Operations
- Contract management
- Quality and water services compliance

Chief Financial Officer

- Finance and commercial
- Digital and innovation
- Corporate services
- Regulatory and compliance

Chief People and Customer

- People and capability
- Iwi relations and Te Tiriti obligations
- Customer and community

Asset Transfer, revenue and charging

The WSCCO will provide all drinking water, wastewater and stormwater services to residents on the West Coast that are currently provided directly by each individual District Council.

All 3 Waters assets are expected to be transferred through a formal Transfer Agreement entered into between the WSCCO and all West Coast Councils, except in cases where the asset's primary purpose is not related to 3 Waters. These exceptions will be identified and agreed upon during the transition process. Where appropriate, relationship and service level agreements will be established to support ongoing arrangements.

Until the agreed transfer date, each Council will continue to collect revenue according to its own funding model. The West Coast Councils have agreed that, initially, prices will not be harmonised across the area serviced by the WSCCO. Part C outlines how charges will be set and how revenues will cover the costs of service.

Whilst pricing will not initially be harmonised, the WSCCO board will determine charging within each district to enable the delivery of each Council's agreed capital programme. The mechanism for stormwater charging will be determined during the transition as part of the Implementation Plan.

Ring-fencing requirements

The WSCCO will be responsible for preparing all financial documents required for Water Services delivery including the Water Services Strategy (WSS), Annual Budgets and Annual Reports. The systems required to perform financial management, and reporting will be determined during the transition. If shared service arrangements are required for this purpose, they will be via a commercial agreement.

Financing arrangements

The WSCCO will borrow from the LGFA. Part D demonstrates that the WSCCO is able to operate within the financial sustainability requirements.

FFO to debt

The Funds From Operations (FFO) to debt ratio is a key measure of financial sustainability and debt servicing capacity. The WSCCO is projected to operate at an FFO to debt ratio of approximately 10% after five years, indicating that the WSCCO will generate annual net operating cash flows equivalent to 10% of its total debt.

Transfer of Water related debt

The transfer of debt will be aligned with debt maturity. Any interest costs occurred by debt that has not matured by the transfer date will be met by the WSCCO.

Establishment costs

Establishment costs will be debt funded equally between each of the three Councils with the costs transferred to the WSCCO as part of the legal transfer. For modelling purposes, the provision for establishment costs is $5m. There are a number of decisions that need to be made regarding the scope of the entity that will inform the actual establishment cost, particularly around digital and corporate services.

Dividends

Given the significant investment required to respond to regulatory expectations, the WSCCO will need to undertake substantial borrowing. As a result, it is not anticipated that dividends will be payable to shareholder councils for the foreseeable future, with financial resources instead being prioritised toward infrastructure renewal, compliance, service improvements, and repayment of borrowings.

Implementation plan

The West Coast Councils commit to delivering the proposed model by establishing the new WSCCO by 1 July 2026, with an intention that it will be operational by 1 July 2027. The intended governance arrangements have been discussed and agreed, as recorded in a Heads of Agreement between the West Coast Councils.

Process for delivering the proposed model

The transition of 3 Waters Services to the WSCCO will be completed using a five-phase approach:

- **Establishment.** Setting up the transition programme, which has included agreeing the Heads of Agreement, and then developing the transitional governance structure, a charter for the transition and detailed programme plan.
- **Determining WSCCO Scope and Approach.** To maximise efficiency for the West Coast Councils, a review of potential shared services will be developed to determine which ancillary services will be provided by the WSCCO and those that should, either for an agreed period or on-going, be provided either by one or all of the West Coast Council or an alternative model.
- **Assessment.** All key information will be obtained by each council to support each key workstream in transition. This will include an understanding of gaps in knowledge.
- **Implementation.** This has been grouped into a number of key workstreams that will work collectively to prepare for a transition into the new WSCCO. These are set out at a high level below, and it is intended that this phase occur through Jan 2026 to July 2027.
- **Transition.** The transition of people, assets, and services into the WSCCO will occur in stages—from the lead-up to the transfer date, through the actual transfer, and into an agreed period where some services (including ancillary support services) may transition later to support a smooth and coordinated integration, minimising disruption to both the Councils and the WSCCO.

Workstreams

The transition phase has been split into nine key workstreams. A summary of key focus areas for each workstream is provided below.

Governance (Political and Board)

- The preparation, negotiation and agreement of all foundational documents. This is expected to include a Constitution, Shareholders' Agreement, Terms of Reference for Shareholders with the Shareholders Representative Forum and all other related establishment documents.
- Establishment of the Shareholders Representative Forum and appointment of the WSCCO Board.
- Appointment of the CEO of the WSCCO.
- Agree Interim Arrangements and develop first Statement of Expectations and work to develop Transfer Agreements.

Leadership & Operating model

- Establishment of Project Steering Group and interim Council level oversight and support.
- Creation of the WSCCO operating model and development of the first Water Services Strategy and organisational policies, leadership and management structure and the recruitment of leadership roles (tier 2).
- Confirm all compliance requirements, and maintain oversight of the same, including with the Commerce Commission, the West Coast Regional Council and Taumata Arowai.

People

- Organisational design for operational staff (tier 3 and below).
- Roles, responsibilities and updated contracts for Individual and Union based contracts.
- Transition of staff and individual contractors.
- People strategy, plan and all related policies to support staff.
- Support to all affected staff during the transition.
- Resource to cover BAU when staff are involved in transition activities.

Finance & Commercial

- Financial agreements with LGFA, with a guarantee from each of the West Coast Councils. Establish all internal lending arrangements required on an interim basis, between the WSCCO and Councils.
- Develop financial strategy, plan and all related policies.
- Establishment of treasury and banking functions.

- Insurance arrangements to be confirmed.
- Easements and licences.
- Transitional funding – including on-lending / borrowing support by Councils.
- Debt transfer.
- System development, internal controls, financial reporting and delegations.

Communications & Engagement

- Transitional Communications plan.
- Communications and Engagement strategy, plan and all related policies.
- On-going communications and engagement with staff, agreed stakeholders and iwi.
- Communication with contractors and suppliers.

Asset Management

- Preparation of a consolidated Asset Management Plan for the WSCCO based on the overall requirements for each of the three Districts that is deliverable and aligns to the overall objectives of the WSCCO.
- Prepare asset information to support the transition including updated valuation – consistent across each of the Councils.

Service Delivery

- Prepare business cases as required to understand service delivery options for all potential shared services.
- Separation of combined delivery of water services (where applicable), to enable 3 Waters services to be transitioned into the new WSCCO.
- Updates / development of necessary policies and bylaws required for the new WSCCO and technical support for the development of relationship / service level agreements.
- Transition plan to enable 3 Waters functions to transition effectively on transfer date.
- Technical compliance and health & safety.

Legal & Risk

- Develop base information required to support all Governance documents including Assets for the Transfer Agreement.
- All required legal tasks to support transfer and organisation establishment, including execution of Transfer Agreements and property instruments.
- Contract novation and updated contracts (mixed use).
- Relationship and service level agreements.

- Transitional and WSCCO enterprise risks and controls.

Digital

- Prepare business case to determine the best approach (transitional / long-term) for all key systems: customer, corporate, capital delivery, compliance, operational and operating technology.
- Digital and customer strategies, plans and related policies.
- Transition of data (as required) to WSCCO systems.

Implementation structure

An outline diagram of the delivery structure is provided below. Once the WSCCO transitional board is in place, the Shareholders Representative Forum will work directly with the board as opposed to the Project Steering Group.

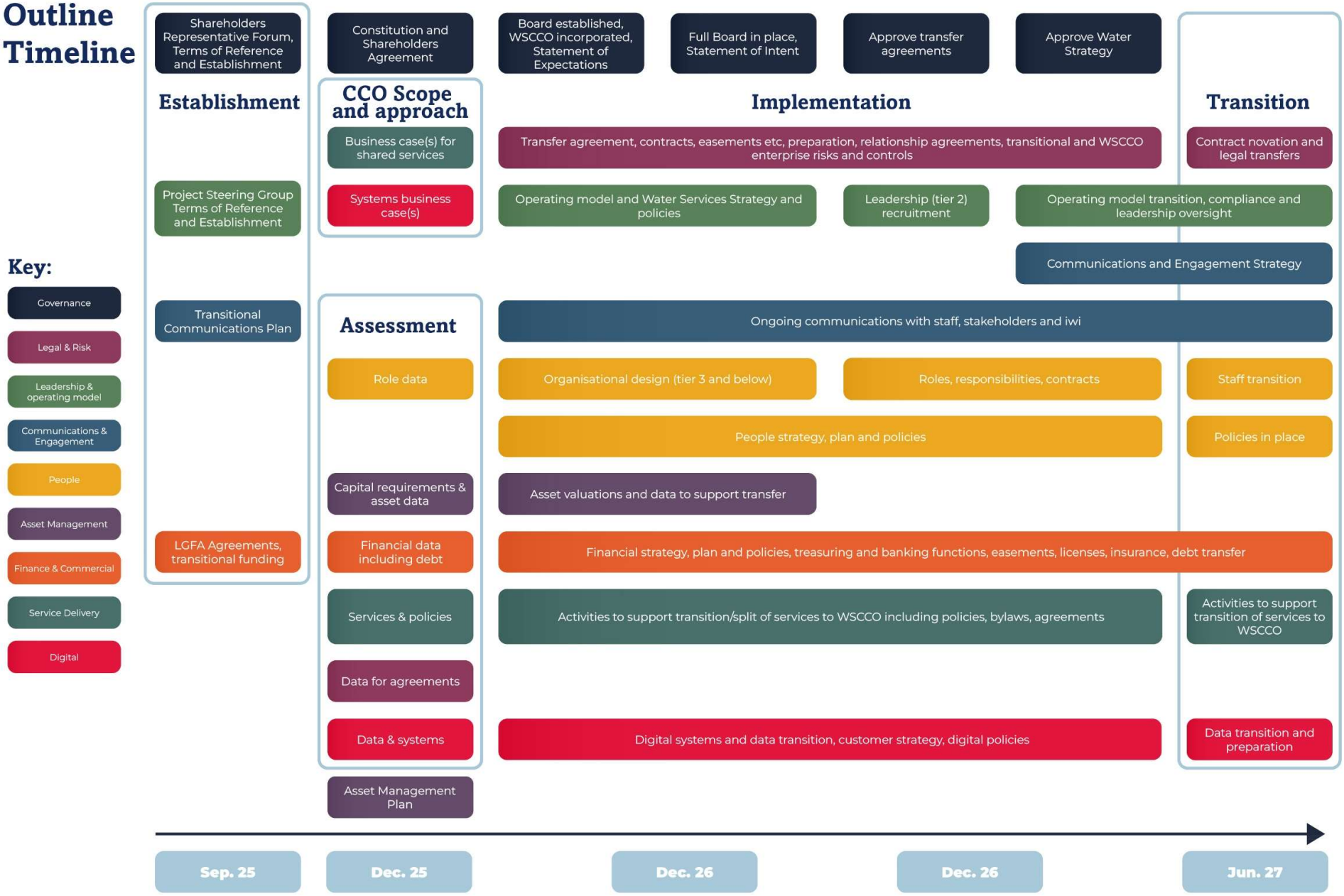
Commitment

The West Coast Councils commit to give effect to the proposed model once this plan is accepted.

Timeline and milestones

The summary timeline below outlines the key activities across each workstream involved in the transition. While it provides a high-level view of the anticipated milestones, further detailed project planning will be undertaken during the Establishment phase. This will bring greater certainty around specific timelines, interdependencies, and sequencing of workstream activities.

Outline Timeline



Consultation and engagement

Consultation and engagement activities were undertaken independently for each Council, with a joint media release. Each Council's consultation has been carried out in alignment with the Local Government (Water Services Preliminary Arrangements) Act 2024.

All Councils consulted on the following two options:

- Joint Water Services Council Controlled Organisation (WSCCO) – A regional entity formed in partnership with Westland, Grey and Buller District Councils.
- Internal Business Unit – Water services remain within Council, with ring-fenced revenue to meet financial and regulatory requirements.

Westland included a third option:

- Westland + 1 other CCO – A shared entity with one other neighbouring district.

Key dates

Council	Consultation dates	Hearings and deliberation dates	Council decision date
Westland	16 May - 16 June 2025	26 June 2025	24 July 2025
Grey	16 May – 16 June 2025	2 – 3 July 2025	3 July 2025
Buller	16 May – 13 June 2025	30 June 2025	30 June 2025

As part of the consultation process, the Councils made the following information publicly available (in line with the requirements of section 64 of the Preliminary Arrangements Act):

- A detailed description of the proposed joint WSCCO model, including the reasons for the chosen proposal.
- An assessment of the identified options (including an economic and financial analysis completed by Townsend Consulting):
- Information on how proceeding with the proposal for the joint WSCCO will affect rates (including charges for water services), debt, expenditure and levels of service.

- Information regarding how not proceeding with the proposal, and proceeding with an alternative delivery option will affect rates (including charges for water services), debt, expenditure and levels of service
- An outline of the implications for communities throughout the joint service area, and an outline of the potential accountability and monitoring arrangements that might be used to assess the performance of the WSCCO.

The Councils also signalled the potential transfer of strategic assets and requirement to amend the LTP to provide for that transfer.

Westland

A total of 13 submissions were received as part of the consultation. Of the submissions that indicated a preference, 4 submitters (30.8%) supported the proposal for a joint CCO, and 5 submitters (38.5%) preferred an internal business unit. 4 submitters who made comments did not indicate a preference.

There was concern in the submissions about the potential establishment of a WSCCO, particularly regarding its impact on governance and local control. Many felt it would weaken rural and local voices, diminishing community representation in decision-making. There was also unease about losing in-house expertise and institutional knowledge, and that a WSCCO would introduce an overly bureaucratic and fragmented structure. Concerns were expressed that this could lead to less efficient water service delivery, reduced transparency, and logistical challenges due to the region's vast geography. Furthermore, submitters indicated opposition to asset transfers and worry that collaboration, especially with iwi and industry, may be overlooked under a new governance model.

Financial concerns were also raised, with fears of increased costs to ratepayers, especially in rural areas that may end up subsidising services they do not use. The financial modelling underpinning the transition was seen as uncertain, and the West Coast's low rating base added to apprehensions about long-term sustainability. Submitters also raised the risk of councils being left with stranded costs—such as leadership and IT expenses—resulting in further rate hikes for existing services. Instead of forming a WSCCO, a preference was stated for continued collaboration between councils and stakeholders to manage water services more effectively and equitably.

Grey

A total of 19 submissions were received as part of the consultation. 18 submissions included a preference with 9 (50%) supporting the proposal for a joint WSCCO and 9 (50%) in favour of a stand-alone business unit.

Grey communities were concerned about losing local control in water service governance and the risk of a WSCCO diminishing rural voices or leading toward amalgamation. Cost fairness was also a major issue, with rural ratepayers resisting the idea of subsidising services they don't use. Past investments in rural infrastructure were seen as valuable, and communities wanted guarantees that these would not be lost in a shared model.

Other concerns included the rising burden of regulation, especially for small schemes, and a preference for low-cost, sustainable compliance solutions. The retention of local staff and supporting local contractors was also raised. There was broad support for continued investment in safe, resilient water systems that reflect public health priorities, environmental sustainability, and intergenerational equity, including meaningful engagement with mana whenua.

Buller

A total of 35 submissions were received as part of the consultation, with 30 participants responding to the question about their preferred delivery option and 22 offering additional comments or feedback. Of the submissions that indicated a preference, 60% supported a joint WSCCO over a standalone internal business unit.

The most frequently cited reason for supporting a WSCCO was its perceived potential for cost savings, followed by operational efficiency and reduced risk. Qualitative feedback highlighted several key themes: support for localised solutions, affordability and governance.

Despite a broad range of views, three consistent themes emerged: governance and accountability, affordability and cost transparency, and the condition of local infrastructure

Assurance and adoption of the Plan

Information used to develop the plan has been sourced and/or developed as follows:

- Part A has been developed with support of the Mayors, two elected officials, the Chief Executive and General Managers from each Council. The implementation plan has been developed with support of a technical group that included General Managers, Asset Managers, Finance Managers, Asset Engineers and other key internal staff from each Council.
- Part B uses each Council's Activity/Asset Management Plans to provide base information, Annual Reports for historic spend and Long-Term Plans for budget information. Buller has a separate AMP+ which has been reviewed, was consulted on and has been included in this Plan. Additional information on compliance has been provided by each Council team including from reports to Taumata Arowai and the West Coast Regional Council.
- For Parts C-E, a financial model has been developed, based on the DIA template model and amended to reflect specific West Coast requirements. The model input includes each Council's Activity/Asset Management Plans, financial reports, rating information, financial strategies and policies.
- Additional Information includes key projects determined by each Council and risks, assumptions and constraints that have been determined during the development of the plan and reviewed by all key stakeholders.

The level of confidence in asset condition information is uncertain. This is recognised and will be addressed as part of the transition (where appropriate) and on-going work programmes for each individual district. Each council has used a different provider for their latest asset valuation, so for consistency across the WSCCO (once established), one agreed approach will be used for the 2025/26 valuation which will be used as a basis for determining shareholdings. Given the changing regulatory landscape, assumptions have been made for each Council in terms of the approach and cost of responses, which will be reviewed and refined as standards are confirmed. With financial projections, a review of the capital programmes and updated Activity/Asset Management Plan is required at the start of transition. This is to ensure there is alignment for each district in their ability to respond to the agreed objectives of the new WSCCO and ensure the overall programme is both deliverable and optimised. As outlined in Part B for each of the West Coast Councils, the WSCCO will assist to ensure regulatory compliance.

As outlined in the Additional Information section, there are a number of risks, assumptions and constraints that have been identified during the development of this plan. In particular, the scale of the WSCCO is relatively small when compared to others across New Zealand and serves a large and isolated area of New Zealand with a low number of residents. Risks that will exist across many of the new Water organisations will likely be heightened for the West Coast, particularly around affordability, governance / leadership roles and contractor / staff availability and capacity.

Each part of the plan has been reviewed by the technical teams of each Council and by Stantec (all Parts except Westland Part B) and Tonkin & Taylor (Westland Part B). The full WSDP has been reviewed for compliance with the requirements of the Preliminary Arrangements Act by Simpson Grierson. There is a high level of confidence in the foundational information used for the assessment and modelling that underpins this plan. It has been developed using the best and most up to date information available and has been reviewed and verified as being comprehensive and compliant with legislative expectations. The information used for the plan is considered to be true and accurate as at the date of adoption but as there are a number of risks, assumptions and constraints, the risks and assumptions will be reviewed and mitigations put in place where possible to support the transition and assurance of financial sustainability for the new WSCCO.

Certification of the Chief Executive of Westland District Council

I certify that this Water Services Delivery Plan:

- complies with the Local Government (Water Services Preliminary Arrangements) Act 2024, and
- the information contained in the Plan that has been provided by Westland District Council is true and accurate.

Signed: _____

Name: Barbara Phillips
Designation: Chief Executive
Council: Westland District Council
Date: 2 September 2025

Certification of the Chief Executive of Grey District Council

I certify that this Water Services Delivery Plan:

- complies with the Local Government (Water Services Preliminary Arrangements) Act 2024, and
- the information contained in the Plan that has been provided by Grey District Council is true and accurate.

Signed: _____

Name: Joanne Soderlund
Designation: Chief Executive
Council: Grey District Council
Date: 2 September 2025

Certification of the Chief Executive of Buller District Council

I certify that this Water Services Delivery Plan:

- complies with the Local Government (Water Services Preliminary Arrangements) Act 2024, and
- the information contained in the Plan that has been provided by Buller District Council is true and accurate.

Signed: _____

Name: Simon Pickford
Designation: Chief Executive
Council: Buller District Council
Date: 2 September 2025

Part B: Network performance

Buller District Council

BULLER
DISTRICT COUNCIL
Te Kaunihera O Kawatiri

Part B: Network performance

Investment to meet levels of service, regulatory standards and growth needs

Investment required in water services

Serviced population

Population information for the Buller District has been sourced from Statistics NZ (2023). Total residential connections are split by each of the three waters, using actuals for year 1 and 0.5% growth projection for all subsequent years.

Projected serviced population	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Serviced population	9600	9648	9696	9745	9793	9842	9892	9941	9991	10041
Total connections Water	4107	4128	4148	4169	4190	4211	4232	4253	4274	4296
Total connections Wastewater	3285	3301	3318	3335	3351	3368	3385	3402	3419	3436
Total connections Stormwater	7566	7604	7642	7680	7718	7757	7796	7835	7874	7913

Assumptions:

- Serviced population based on an average household size of 2.1 people per household.
- Growth projections based on an average annual population change of 0.5% over the period.
- Connection numbers include residential and non-residential.
- Stormwater services are a community requirement. Whilst currently charged as part of the general rate it is assumed that in the future, the stormwater catchment will cover the full district.

Serviced areas

Water and Wastewater systems are provided by schemes across the Buller District. The drinking water schemes include one for stock water and two that are operated by communities.

The information for this table has been largely sourced from the 2025 Three Waters AMP.

Serviced areas (by reticulated network)	Water supply # schemes and registered populations, no of connections	Wastewater #schemes and registered populations	Stormwater # catchments
Residential areas (If more than one identify separately)	***(Supply:** # people; # connections)* **largely operated by the community* Little Wanganui: 100;64 Waimangaroa: 300;139 Westport (& Carters Beach): 4974;2857 Inangahua Junction: 70; 32 Reefton: 951; 675 Punakaiki: 230; 96 *Mokihinui: 100; 47	Little Wanganui: 100 Westport: 4,976 Reefton: 951	Hector Ngakawau Seddonville Granity Waimangaroa Westport Carters Beach Reefton Karamea Charleston Ikamatua Springs Junction Birchfield Maruia Seddonville Little Wanganui
Non-residential areas (If more than one identify separately)	None	None	None
Mixed-Use rural drinking water schemes (where these schemes are not part of the council's water services network)	Cape Foulwind- untreated stock scheme	n/a	n/a

Areas that have schemes operated by communities	South Granity: Unknown, 22 connections Ngakawau-Hector: 435 people, 175 connections (largely operated by the community)	None	None
Areas that do not receive water services (If more than one identify separately)	Cape Foulwind (stock water only) Karamea Charleston Ikamatua Springs Junction Ikamatua Birchfield Maruia Seddonville Total: ~1890 people		
Proposed growth areas • Planned (as identified in district plan) • Infrastructure enabled (as identified and funded in LTP)	Buller District is projecting minimal growth. Alma Road in Westport ~200 properties over next 10-15 years.	Alma Road ~200 properties over next 10-15 years. Omau. Potentially up to 500 properties, not currently expecting any growth. Initially only expecting to provide wastewater.	Alma Road ~200 properties over next 10-15 years.

Levels of service

The Buller District AMP details for of levels of service, performance measures and targets for each service is summarised in the table below.

Measure	How	Target	Current level
Water supply – safety of drinking water	The extent to which the local authority's drinking water supply complies with drinking water standards - bacteria and protozoal	Full bacterial and protozoa compliance (100	As outlined in the statement of regulatory compliance section, a number of supplies are not currently meeting bacterial or protozoal compliance. This is either due to no treatment, E. coli detection in the supply or UV operation due to high inlet flow and high incoming turbidity. **Not achieved.**
Water supply - demand management	The 2023/24 average consumption of drinking water per day per resident within the Buller District	Demand is less than 700 Litres per person per day.	3 out of 9 supplies are compliant. The average consumption per day per resident across 4 water supplies was not able to be measured due to their being inadequate flow metering **Not achieved.**

Water supply - fault respond times	2023/24 response times to attend and resolve call-out in response to a fault or unplanned interruption to its networked reticulation system	Attendance for urgent call-outs: ≤ 2 hours Resolution for urgent callouts: ≤ 8 hours Attendance for non-urgent callouts: ≤ 24 hours Resolution for non-urgent callouts: ≤ 5 working days	Outcome: 35/42 urgent job requests attended to within two hours. Outcome: 37/42 urgent job requests resolved within eight hours. Outcome: 160/252 non-urgent job requests were attended to within 24 hours Outcome: 211/252 non-urgent job requests were resolved within 24 hours. **Not achieved.**
Water supply – network performance – water loss	The percentage of real water loss from the local authority's networked reticulation system for 2023/24	<= 30%	Water leakage cannot be accurately determined across any scheme due to lack of household metering and lack of bulk flow meters in others (e.g. at sources or plants)

Water supply – customer satisfaction	The total number of complaints received by the Council about any of the following: (a) drinking water clarity (b) drinking water taste (c) drinking water odour (d) drinking water pressure or flow (e) continuity of supply (f) the local authority's response to any of these issues expressed per 1000 connections to the local authority's networked reticulation system	No more than 5 drinking water fault measures per 1000 connections	In 2023/4: - Clarity: 3.39 - Task: 0.24 - Odour: 0.96 - Pressure: 4.6 - Continuity of supply 4.11 **Achieved.**
Wastewater – system and adequacy	The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system.	Less than five sewerage overflows per 1,000 connections	3 / 3,307 connections. **Achieved.**
Wastewater – fault response times	2023/24 median response times to attend to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, (a) attendance time and (b) resolution time	Respond to all faults/overflows in less than 2 hours all faults/overflows resolved in less than 24 hours	1 out of 3 faults attended to in less than 2 hours 2 out of 3 faults resolved in less than 24 hours **Not achieved.**
Wastewater – customer satisfaction	The total number of complaints received in 2023/24 by the territorial authority about any of the following: (a) sewage odour (b) sewerage system faults (c) sewerage system blockages (d) Council response to any of these issues	less than five complaints per 1,000 connections for each of these measures	(a) sewage odour; 0. **Achieved.** (b) sewerage system faults; 1.94. **Achieved.** (c) sewerage system blockages; 23.59. **Not Achieved.** (d) Council response to any of these issues; 0. **Achieved.**

Wastewater – discharge compliance	Wastewater and sewerage systems are managed within resource consent parameters	less than five abatement notices and no infringement notices, enforcement orders and convictions in relations to those resource consents.	There have been zero abatement notices, infringement notices, enforcement orders and convictions received over the last 3 years. **Achieved.**
Stormwater – system and adequacy	(a) The number of flooding events that occur in a territorial authority district (b) For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's stormwater system.)	1a) No target, number of events is outside of Council control 1b) Target: 5	1a. N/A 1b. **Achieved** in in 2022/23 and 2023/24; there were zero dwellings affected by flooding
Stormwater – 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.	≤ 1 Hour	**Achieved**. There were Zero flooding events in 2023/24 affecting dwellings. Response time not applicable as no habitable floor flooding occurred.
Stormwater – customer satisfaction	The number of complaints received in 2023/24 by a territorial authority about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority's stormwater system.	Target is less than 10 complaints per 1,000 connections.	Total number of complaints was 45. This is inclusive of roading related stormwater issues and some relating to Ex-housing NZ areas. Southern Peel St remains an area requiring improvement. Optioneering of solution is currently in progress. **Not achieved.**

Assessment of the current condition and lifespan of the water services network

BDC provides residential water supplies to Westport and several smaller townships. A large amount of the district's infrastructure was built in the 1960s and 1970s. Whilst the average age of pipeline assets is approximately 34 years, some assets are reaching, or have already passed, the end of their expected life. Maintaining these aging assets is becoming increasingly difficult and the amount of funding required to meet the renewal costs is higher than the Council Draft Long-Term Plan 2025-34 can achieve due to affordability constraints.

There are a number of significant challenges for Wastewater. For Little Wanganui, Asbestos Cement (AC) pipes were installed in the late 1970s. CCTV inspections have shown that parts of the system have been constructed poorly and will require re-laying in the future to the correct grade to improve performance. In both Westport and Reefton there are combined sewer and stormwater connections, adding to treatment costs that result in direct discharges to the Buller, Orowaiti and Inangahua Rivers during high rainfall events caused by the large amount of stormwater ingress.

There are several areas within Westport that are subject to surface flooding as the township is only 2-3 metres above mean sea level, so during significant storm events, the stormwater disposal systems are compromised. A study was initiated in 2024 to identify existing stormwater capacity and areas for improvement. A similar study is being undertaken for Reefton.

The information for this table has been sourced from the 2025 Three Waters AMP.

Parameters	Drinking supply	Wastewater	Stormwater
Average age of Network Assets	34 years	49 years	49 years
Critical Assets	Assets where a failure has a 90% or greater chance of resulting in a loss of service to 4,000 or more people are: • Westport Water Tunnels and Races • Westport's raw water storage ponds • Westport's raw water trunk main, from the ponds to the WTP • Westport WTP • Westport's treated water storage	Wastewater Treatment plants: • Westport • Reefton • Little Wanganui 19 Pump Stations Based on asset value, 61% of all wastewater assets have a very high criticality including 69% plants and 59% pipes.	• 5,500m of pipe greater than DN600 • 23 outlets with WaStop installed
Above ground assets • Treatment plant/s	4 WTP	3 WWTP	There is a low number (< $1m value) of plant assets however all plant assets have a very high criticality rating.
• Percentage or number of above ground assets with a condition rating	100%	100%	100%
• Percentage of above ground assets in poor or very poor condition	3.2% by $value	2%	0%

Below ground assets • Total Km of reticulation • Percentage of network with condition grading • Percentage of network in poor or very poor condition	189.6km 100% 2% poor, 5% very poor condition (Westport) 6% poor, 10% very poor (Reefton) 0% poor, 36% very poor (Little Wanganui)	95.9km 100% 17% poor, 7% very poor condition	66.5km 100% 25% poor, 7% very poor condition

Data reliability is based on a valuation assessment by BECA as at 30 June 2024. In terms of reliability, the following is noted in terms of quantity, unit cost, base and remaining life:

Level	Description	Accuracy	Quantity	Unit Cost	Base Life	Rem Life
A	Highly Reliable and Accurate	100%	x			
B	Reliable with Minor Inaccuracies	+ - 5%		x	x	x
C	50% estimated	+ - 20%				
D	Significant data estimated	+ - 30%				
E	All data estimated	+ - 40%				

Valuations from the BECA report, as at 30 June 2024, are in the table below:

Asset Group	Replacement cost $	Fair Value (DRC) $	Annual Financial Depreciation $
Water	91,810,970	56,578,025	1,485,071
Wastewater	79,971,509	38,483,765	1,317,831
Stormwater	54,371,284	24,930,063	642,958
Total	226,153,763	119,991,853	3,445,859

Asset Management (AM) approach

The 2025 AMP outlines the approach recommended as part of the Long-Term Plan. This is an affordability focused approach. It prioritises quality and environmental compliance but acknowledges that investment ideally made within 10 – 15 years may take 30 + years. The AMP+, as outlined in the Capital Programme section of Part B, brings forward the additional investment required to respond to regulatory, renewal and resilience requirements to the first 15 years that were not able to be addressed until later under the affordability approach.

Many assets were built in the 1960s-70s and are reaching or have already passed the end of their expected life. Maintaining these assets is expected to be increasingly challenging, particularly balancing affordability constraints.

BDC uses Univerus as its asset management platform and asset register, integrating with GIS, accounting, document management and maintenance history. It spatially displays Three Waters networks and asset data spatially linking directly to Univerus.

As outlined in the Capital Expenditure section, the approach to renewals is to prioritise based on criticality, age, condition and material type, returning all assets to an acceptable condition over a 15-year period.

Drinking Water AM Approach

BDC's drinking water asset management approach is based on protecting public health, meeting regulatory compliance and providing resilience to changing demographics (aging population) and the impact of climate change. BDC operates and maintains very small community schemes to larger urban schemes and tailors its asset management approach appropriately. The approach prioritises risk, focusing investment on schemes with the highest public health risks – particularly untreated supplies with permanent boil water notices in place.

Critical assets including, WTPs, trunk mains, tunnels and storage reservoirs are routinely inspected (and replaced when required) to prevent loss of service delivery. Community managed schemes supported with technical oversight, and demand management is addressed through targeted metering, leak detection and pressure management. BDC phases capital upgrades to balance regulatory compliance, affordability constraints and potential impacts from climate change by diversifying water sources and increasing storage where needed.

Wastewater AM Approach

BDC provides wastewater services to three communities (Westport, Reefton and Little Wanganui). The asset management approach is focused on ensuring public health, environmental protection and regulatory compliance. Council uses a 'lifecycle management' approach which includes operating and maintaining existing assets, proactive renewals and targets capital upgrades. The asset renewal has been developed to prioritise on asset condition and criticality with an emphasis on reducing the risk of service failure as well as addressing aging infrastructure.

The AMP highlights the need to separate the existing combined wastewater and stormwater systems, particularly in Westport and Reefton, to reduce wet weather overflows and improve environmental outcomes. The risk management approach uses a formal register and manual, categorising risk as planning, management, delivery and physical asset risks. Risks are regularly assessed with mitigation techniques, resilience strategies and continuous review to ensure service continuity, compliance and adaptation to changing conditions.

Investment is guided by affordability with budgets allocated for planned and reactive renewals to maintain levels of service and address demand management. BDC recognises the importance of ongoing asset data improvement, stakeholder/partner engagement and responding to increasing stringent regulatory requirements.

Stormwater Approach

Buller District experiences highly variable rainfall with annual totals ranging from 2,000-3,000mm in low lying coastal areas and exceeding 10,000mm at high elevations (NIWA). To respond to these conditions, BDC's stormwater asset management approach focuses on protecting people and property from flooding by managing open drain and piped stormwater systems across the district. The Council maintains ~66km of stormwater pipes, 353 manholes, 1,311 sumps, and 47 soak pits. Asset management is lifecycle based, combining proactive maintenance, condition assessments and prioritised renewals to address aging infrastructure and maintain levels of service.

Investment is guided by risk and criticality with a focus on areas prone to surface flooding, particularly in Westport, where low elevation and tidal influences make the town vulnerable. Capacity may become a problem after the separation of stormwater from wastewater, but the recently completed modelling will provide clarity that will be fed into mitigation strategies and funded through the AMP+ if required.

Asset renewals, including for stormwater, are planned to address asset deterioration, with budgets allocated for planned and reactive works, as also outlined in the Capital Expenditure programme that will enable all assets to return to an acceptable condition over 15 years.

Stormwater management also includes compliance with resource consents, monitoring and ongoing asset data improvements.

The Council is committed to resilience by considering climate change, natural hazards, community needs and regularly reviews its approach to ensure suitable and sustainable stormwater services, however they have historically been constrained by affordability challenges.

Statement of regulatory compliance

The table below outlines the significant consents in place for BDC, including those that will expire in the next 10 years, and the compliance challenges faced by the Council. BDC is not currently fully compliant due to existing affordability constraints but the move into the WSCCO means additional funding has been allocated to respond to compliance challenges in small supplies, with sufficient funding set aside to respond to compliance challenges and for work required to renew resource consents. Sufficient budget has been allocated in the AMP+ to address all drinking water compliance issues and boiled water notices.

The following small supplies are non-compliant: Waimangaroa, Mokihinui and Little Wanganui. They are raw water supplies on permanent boiled water notices. As outlined in the Risk Register in Part B, affordability constraints have limited the speed at which BDC has been able to respond to Taumata Arowai requirements for water safety, with a focus on ensuring the larger settlements were fully compliant first. Alongside this, for small settlements, BDC have been in on-going discussions with Taumata Arowai (still occurring at the time this plan has been completed) regarding acceptable and affordable point of supply treatment solutions. Funding for future compliance of each of the council-operated supplies, for the agreed acceptable solution (point of supply or a full treatment plant), is included in the AMP+ capital programme.

The table also summarises whether the treatment in place can currently meet the DWQAR (i.e. a treatment process is in place). The LOS table above mentions that sometimes these plants do not meet compliance due to external events such as very poor weather. There are a number of compliance risks. These are outlined in the Risks and Assumptions sections below (within Part B for Buller), which confirms the impact, controls in place and control plan.

BDC is not under any notices for non-compliance with the West Coast Regional Council.

Parameters	Drinking Water treated scheme	Drinking Water treated scheme	Drinking Water treated scheme
Drinking water supply • Bacterial compliance (E.coli) • Protozoa compliance • Chemical compliance • Boiling water notices in place • Fluoridation • Average consumption of drinking water (l/pp/day??) • Water restrictions in place (last 3 years) • Firefighting sufficient	Westport • Yes • Yes • N/A • 0 • No • 746 • Yes • Partially	Reefton • Yes • Yes • N/A • 0 • No • 760 • Yes • Partially	Punakaiki • Yes • Yes • N/A • 0 • No • 851 • Yes • No hydrants
Resource Management			
• Significant consents (note if consent is expired and operating on S124)	RC0308(1/2/3/4/5) RC05233(1/2/3) (alternate supply)	RC01282	RC06183 RC11183
• Expire in the next 10 years	0	0	0
• Non-compliance: • Significant risk non-compliance • Moderate risk non-compliance • Low risk non-compliance	 1 0 1	 0 0 1 (exceed 20 l/s threshold)	 0 0 0
• Active resource consent applications	0	0	0
• Compliance actions (last 24 months): • Warning • Abatement notice • Infringement notice • Enforcement order • Convictions	 0 0 0 0 0	 0 0 0 0 0	 0 0 0 0 0

Parameters	Drinking Water scheme	Drinking Water untreated scheme	Drinking Water untreated scheme
Drinking water supply	Inangahua Junction	Waimangaroa	Mokihinui
• Bacterial compliance (E.coli)	• Yes	• No	• No
• Protozoa compliance	• Yes	• No	• No
• Chemical compliance	• N/A	• N/A	• N/A
• Boiling water notices in place	• 0	• Permanent boiled water notice in place	• Permanent boiled water notice in place
• Fluoridation	• No	• No	• No
• Average consumption of drinking water	• 867	• Not measured	• Not measured
• Water restrictions in place (last 3 years)	• Yes	• Yes	• No
• Firefighting sufficient	• No hydrant	• Yes (only 2 have lower flow)	• No hydrant
Resource Management			
• Significant consents (note if consent is expired and operating on S124)	RC-2019-0021-01	RC01281	RC01283 (1/2/3/4/5)
• Expire in the next 10 years	0	0	0
• Non-compliance:			
• Significant risk non-compliance	0	0	1
• Moderate risk non-compliance	0	0	0
• Low risk non-compliance	0	0	0
• Active resource consent applications	0	0	0
• Compliance actions (last 24 months):			
• Warning	0	0	0
• Abatement notice	0	0	0
• Infringement notice	0	0	0
• Enforcement order	0	0	0
• Convictions	0	0	0

Parameters	Drinking Water untreated scheme	Drinking Water untreated Scheme – not managed by Council	Drinking Water untreated Scheme – not managed by Council

Drinking water supply	Little Wanganui	South Granity	Hector/Ngakawau
• Bacterial compliance (E.coli)	• No	• No	• No
• Protozoa compliance	• No	• No	• No
• Chemical compliance	• N/A	• N/A	• N/A
• Boiling water notices in place	• Permanent Boiled water notice in place	• Permanent boiled water notice in place	• Permanent boiled water notice in place
• Fluoridation	• No	• No	• No
• Average consumption of drinking water	• Not measured	• Not measured	• Not measured
• Water restrictions in place (last 3 years)	• Yes	• Yes	• No
• Firefighting sufficient	• No hydrants	• N/A	• N/A
Resource Management			
• Significant consents (note if consent is expired and operating on S124)	RC96064V	RC12034/1	RC01284 (1/2/3)
• Expire in the next 10 years	0	0	0
• Non-compliance:			
• Significant risk non-compliance	1	No data – not managed by Council	No data – not managed by Council
• Moderate risk non-compliance	1	No data – not managed by Council	No data – not managed by Council
• Low risk non-compliance	1	No data – not managed by Council	No data – not managed by Council
• Active resource consent applications	0	0	0
• Compliance actions (last 24 months):			
• Warning	0	0	0
• Abatement notice	0	0	0
• Infringement notice	0	0	0
• Enforcement order	0	0	0
• Convictions	0	0	0

Parameters	Drinking Water stock supply
Drinking water supply • Bacterial compliance (E.coli) • Protozoa compliance • Chemical compliance • Boiling water notices in place • Fluoridation • Average consumption of drinking water • Water restrictions in place (last 3 years) • Firefighting sufficient	Cape Foulwind • N/A • N/A • N/A • N/A • N/A • N/A • N/A • N/A
Resource Management • Significant consents (note if consent is expired and operating on S124) • Expire in the next 10 years • Non-compliance: • Significant risk non-compliance • Moderate risk non-compliance • Low risk non-compliance • Active resource consent applications • Compliance actions (last 24 months): • Warning • Abatement notice • Infringement notice • Enforcement order • Convictions	 RC03264 0 2 1 1 0 0 0 0 0 0

Parameters	Wastewater Consents	Stormwater Schemes/catchments
Drinking water supply • Bacterial compliance (E.coli) • Protozoa compliance • Chemical compliance • Boiling water notices in place • Fluoridation • Average consumption of drinking water • Water restrictions in place (last 3 years) • Firefighting sufficient	n/a	n/a
Resource Management		
• Significant consents (note if consent is expired and operating on S124)	RC00408 - Westport WWTP RC00395 - Reefton WWTP RC96001 - Little Wanganui WWTP	RC05244 - Carters Beach SW
• Expire in the next 10 years	RC00395 - Reefton Wastewater/stormwater Treatment Plant	0
• Non-compliance: • Significant risk non-compliance	Westport, Reefton, Little Wanganui Westport - WW overflow hours. Reefton - WW overflow hours	0 0
• Moderate risk non-compliance • Low risk non-compliance	Westport - sample exceedances Little Wanganui - flow measurements	RC05244 - fish stencils on sumps
• Active resource consent applications	Westport - RC00408(2) Westport Wastewater overflows	0

• Compliance actions (last 24 months):
  • Warning
  • Abatement notice
  • Infringement notice
  • Enforcement order
  • Convictions
	0
	0
	0
	0
	0
		0
		0
		0
		0
		0

As outlined in the capital expenditure section below, it is acknowledged that additional funding is required to respond to both current and anticipated future requirements including:

- Backflow prevention to protect drinking water from contamination due to reverse flows from connected properties, focusing on rural and high-risk properties first. BDC is in the early stages of this work (~10%) and backflow prevention is a requirement for new commercial connections.
- Fully meeting the DWQAR rules for source, treatment and network monitoring and performance.
- Water meter installation to reduce leakage and assess usage.
- Water safety compliance upgrades.
- Water treatment plant installations (at those with none) and upgrades to fully meet regulatory requirements at others.
- Wastewater treatment plant upgrades.

The capital projection currently allows for water treatment plants for small supplies which is the most expensive option. On-going discussions are in place with Taumata Arowai regarding alternative approaches for small supply treatment. Taumata Arowai initially required BDC to provide treatment plants for each supply but has now confirmed that point of supply treatment options may be acceptable. Providing treatment at point of supply would significantly reduce the capital and on-going operational costs for these small supplies.

The timing of consent renewals for wastewater means there are no delays whilst waiting for the new standards, although once the standards are confirmed, the cost estimates will need to be reviewed.

There are no plans to fluoridate any supplies as BDC have not been instructed to add fluoride.

Capital expenditure required to deliver water services and ensure that water services comply with regulatory requirements

The Long-Term Plan 2025-34 (LTP) for BDC was developed before a decision was made regarding the future for 3 Waters service delivery. To ensure the LTP remained affordable for Buller rate payers, there were significant constraints on the capital programme.

With the Water Services Delivery Plan (WSDP) requiring Councils to determine a pathway that would demonstrate financial sustainability, BDC developed an additional capital programme, referred to as the AMP+. This looked at the baseline LTP and the gaps between it and the investment sufficiency requirements as outlined by the Government in the Water Services legislation.

Three pathways were developed:

- Infrastructure Strategy – 30-year model to become financially sustainable (included in the LTP)
- 9-year AMP+
- 15-year AMP+ (35% reduction in spend over the first 9 years with $28.9m spread over years 11-15)

All three options have the same investment requirements. They are not an unconstrained AMP. They specifically include the investments expected by the Government but, under a stand-alone model, are not affordable.

Financial modelling was produced for public consultation on the two options – in-house stand-alone business unit and multi-council CCO – using the 15-year AMP+ capital programme as a basis.

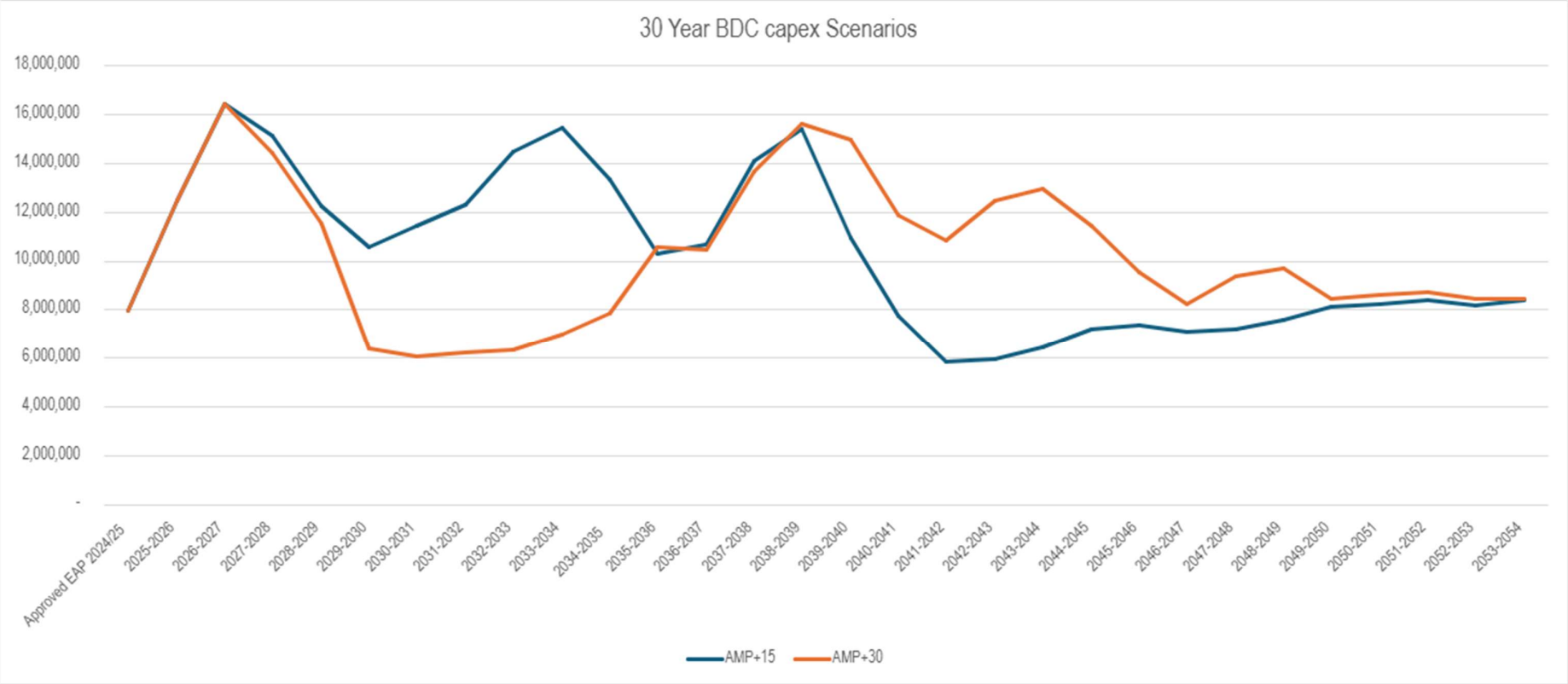
It has been vital to include the AMP+ as the agreed pathway forward to meet the investment sufficiency requirements.

BDC's Long Term Plan renewals programme, for drinking water, wastewater and stormwater was focused on returning all assets to an acceptable condition over a 30-year period. Renewals that scored poorly on age, conditions, material type or criticality were prioritised. The AMP+ model uses the same methodology as the LTP but shortens the time frame to a 15-year period.

BDC currently has minimal demand for growth as outlined in the current LTP. The AMP+ allows some funding for potential network extensions. This work is only just starting. Whilst indicative capital is included, the detail is yet to be determined. Due to resilience risks outlined in the Risk Register, it is anticipated that any future growth would be focused south of Westport. Any significant developments outside of existing networks are required to be funded by developers, and a development contributions policy is currently under development.

Ongoing operational expenses are not expected to increase significantly in the AMP+ model. Efficiencies gained from the accelerated renewals, stormwater separation and plant optimisation programmes should result in lower operational costs. For example; less water loss from networks, means less water is treated and separated stormwater which will result in lower volumes of wastewater being pumped and treated.

The following diagram shows the two options over 30 years – AMP+ spread over 15 years and the capex projection as outlined in the LTP's 30-year Infrastructure Strategy document.



Water Supply AMP+

The investment uplift includes the following key activities:

- Enhanced backflow programme.
- Resilient Westport Water Infrastructure Upgrade.
- Upgrade of the non-compliant Water Treatment plants to meet regulatory drinking standard requirements. Note that BDC is working with Taumata Arowai to agree the best way forward for small supplies. The AMP+ option assumes new treatment plants whereas the LTP assumes point of supply treatment.
- Increase the rate of Water renewals to reduce the backlog from 30 – 15 years.
- Network extensions to support and provide for potential growth.

Wastewater AMP+

The investment uplift includes the following activities:

- Upgrade of the Reefton WWTP to meet new national discharge standards.
- Resilient Westport Wastewater Infrastructure upgrades.
- Increase the rate of wastewater renewals to reduce the backlog from 30 – 15 years.
- Network extensions to support and provide for potential growth.

Stormwater AMP+

The investment uplift includes the following activities:

- Westport Stormwater Resilience upgrades – Crown funded ($19m).
- Reefton sewer/stormwater separation.
- Stormwater capacity and treatment improvements.
- Network extensions to support and provide for potential growth.

Infrastructure Acceleration Fund

As also outlined in Part C, in 2024 BDC were successful with an Infrastructure Acceleration Fund application of $13.6 million. Initial design work has been completed, and a first stage of construction is scheduled to commence in late 2025 calendar year and finish in late in the 2026 calendar year. This construction provides initial capacity for subdivision development at Alma Road. BDC will need to engage with NIFFco on how future drawdowns from this IAF will be managed.

Projected investment in water services	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Drinking Water									
Capital expenditure - to meet additional demand	-	-	-	-	-	-	125,000	125,000	125,000
Capital expenditure - to improve levels of services	718,456	891,538	2,028,960	1,327,590	1,098,718	2,378,002	2,311,983	2,420,419	2,724,855
Capital expenditure - to replace existing assets	1,989,598	3,771,919	5,240,799	4,877,845	1,485,817	1,431,758	1,548,459	2,032,664	2,335,692
Resilient infrastructure	310,474	51,400	94,833	118,341	1,098,761	1,033,579	1,057,084	34,935	35,634
Total projected investment for drinking water	**3,018,528**	**4,714,857**	**7,364,592**	**6,323,776**	**3,683,296**	**4,843,339**	**5,042,526**	**4,613,019**	**5,221,181**
Wastewater									
Capital expenditure - to meet additional demand	-	-	-	-	-	-	100,000	100,000	100,000
Capital expenditure - to improve levels of services	-	-	-	-	500,000	500,000	600,000	5,225,000	5,225,000
Capital expenditure - to replace existing assets	3,247,458	2,308,293	2,123,576	1,875,456	2,209,079	2,203,021	2,318,215	2,283,134	2,354,868
Resilient infrastructure	400,000	614,400	628,904	943,058	2,082,236	2,095,953	2,109,610	1,123,179	1,136,132
Total projected investment for wastewater	**3,647,458**	**2,922,693**	**2,752,480**	**2,818,514**	**4,791,315**	**4,798,974**	**5,127,826**	**8,731,313**	**8,816,000**
Stormwater									
Capital expenditure - to meet additional demand	-	-	-	-	-	-	100,000	100,000	100,000
Capital expenditure - to improve levels of services	-	-	300,000	300,000	300,000	-	-	-	-
Capital expenditure - to replace existing assets	750,000	752,880	755,781	758,612	761,447	764,191	766,922	769,636	772,226
Resilient infrastructure	5,050,371	8,052,184	3,954,011	2,039,056	1,040,305	1,041,514	1,292,718	293,915	545,056
Total projected investment for stormwater	**5,800,371**	**8,805,064**	**5,009,792**	**3,097,667**	**2,101,752**	**1,805,705**	**2,159,640**	**1,163,550**	**1,417,283**

Total projected investment in water services	**$12,466,357**	**$16,442,615**	**$15,126,864**	**$12,239,958**	**$10,576,363**	**$11,448,017**	**$12,329,992**	**$14,507,883**	**$15,454,464**

The following table summarises the key capital expenditure over the next 15 years across all three waters, which includes critical activities required in years 11-15 to become financially sustainable.

Table 1: Capital expenditure for three water services

Row Labels	Approved EAP 20	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032	2032-2033	2033-2034	2034-2035	2035-2036	2036-2037	2037-2038	2038-2039	2039-2040
Stormwater	**190,584**	**5,800,371**	**8,805,064**	**5,009,792**	**3,097,667**	**2,101,752**	**1,805,705**	**2,159,640**	**1,163,550**	**1,417,283**	**2,436,080**	**3,459,910**	**3,484,288**	**3,484,227**	**2,211,464**	**971,385**
Aging Infrastructure	**141,487**	**750,000**	**752,880**	**755,781**	**758,612**	**761,447**	**764,191**	**766,922**	**769,636**	**772,226**	**836,080**	**855,310**	**874,982**	**895,107**	**915,694**	**668,813**
Assessments & Investigations											46,093	47,153	48,237	49,347	50,482	51,643
Main Replacement	43,296	670,000	670,000	670,000	670,000	670,000	670,000	670,000	670,000	670,000	685,410	701,174	717,301	733,799	750,677	500,000
Minor Capital	98,191	80,000	82,880	85,781	88,612	91,447	94,191	96,922	99,636	102,226	104,578	106,983	109,444	111,961	114,536	117,170
Growth and network extension								**100,000**	**100,000**	**100,000**	**100,000**	**100,000**	**100,000**	**75,000**	**76,725**	**78,490**
Network Extension Reefton														75,000	76,725	78,490
Network Extension Westport								100,000	100,000	100,000	100,000	100,000	100,000			
Regulatory compliance				**300,000**	**300,000**	**300,000**					**500,000**	**504,600**	**509,306**	**514,120**	**219,045**	**224,083**
Stormwater Capacity Upgrades and Treatment				300,000	300,000	300,000					500,000	504,600	509,306	514,120	219,045	224,083
Resilient infrastructure	**49,097**	**5,050,371**	**8,052,184**	**3,954,011**	**2,039,056**	**1,040,305**	**1,041,514**	**1,292,718**	**293,915**	**545,056**	**1,000,000**	**2,000,000**	**2,000,000**	**2,000,000**	**1,000,000**	
Assessments & Investigations	49,097	50,371	52,184	54,011	39,056	40,305	41,514	42,718	43,915	45,056						
Reefton Stormwater Network Establishment ROC								250,000	250,000	500,000	1,000,000	2,000,000	2,000,000	2,000,000	1,000,000	
Resilient Westport Infrastructure Development						1,000,000	1,000,000	1,000,000								
Westport SW Resilience Upgrades (Crown Funding)	-	5,000,000	8,000,000	3,900,000	2,000,000					-						
Wastewater	**2,076,786**	**3,647,458**	**2,922,693**	**2,752,480**	**2,818,514**	**4,791,315**	**4,798,974**	**5,127,826**	**8,731,313**	**8,816,000**	**8,022,233**	**4,125,770**	**4,491,970**	**7,922,247**	**10,356,610**	**8,188,806**
Aging Infrastructure	**1,686,877**	**3,247,458**	**2,308,293**	**2,123,576**	**1,875,456**	**2,209,079**	**2,203,021**	**2,318,215**	**2,283,134**	**2,354,868**	**2,969,358**	**3,067,654**	**2,928,492**	**2,843,762**	**3,369,995**	**2,818,874**
CCTV Survey				80,000	80,000	80,000	80,000	80,000	80,000	80,000						56,000
Critical Spares										85,275						
CCTV Survey	5,934	45,000	20,720	21,445	6,646	6,859	7,064	7,269	7,473	7,667	30,000	60,690	31,396	32,118	32,857	33,612
Critical Spares	54,620	12,182	63,103	13,062	13,493	13,925	143,430	88,554	106,206	-	51,000	52,173	53,373	54,601	55,856	57,141
Main Renewals	181,923	-	113,960	-	-	171,463	-	-	-	191,675	58,000	59,334	60,699	62,095	63,523	64,984
Mains Replacement	464,666	476,745	850,000	511,195	528,064	684,214	704,741	1,094,151	1,124,787	1,154,032	1,180,574	1,207,728	1,235,505	1,263,922	1,292,992	1,322,731
Minor Capital	193,436	158,097	132,011	136,632	141,141	145,657	150,027	154,377	158,700	162,826	166,571	170,402	174,322	178,331	182,433	186,629
Other Capital	35,661	100,976	58,495	60,542	84,858	64,541	66,477	92,816	70,321	72,149	73,808	75,506	70,321	72,149	64,541	64,541
Pipeline & Pumpstation	188,902	1,000,000	177,428	226,847	66,953	69,095	189,781	73,232	75,282	77,240	79,016	80,834	82,693	84,595	86,540	88,531
Separation Stormwater/Wastewater ILOS											511,500	523,265	535,300	547,611	560,207	
Treatment Plant	168,977	450,000	207,200	214,452	221,529	228,618	235,476	242,305	249,090	255,566	261,444	267,457	273,609	279,902	286,340	292,925
WASTEWATER	196,379	400,000	310,800	321,678	332,293	342,927	353,215	363,458	373,635	255,566	261,444	267,457	373,635	255,566	342,927	250,000
Wastewater Other Cpaital											-	-	-	-	-	
WWTP renewals	196,379	604,458	374,576	537,723	400,480	401,780	272,810	122,053	37,641	12,873	296,000	302,808	37,641	12,873	401,780	401,780
Growth and network extension								**100,000**	**100,000**	**100,000**	**100,000**	**100,000**	**100,000**	**109,522**	**112,041**	**114,618**
Network Extension								100,000	100,000	100,000	100,000	100,000	100,000	109,522	112,041	114,618
Regulatory compliance	**271,897**	-	-			**500,000**	**500,000**	**600,000**	**5,225,000**	**5,225,000**	**4,725,000**	**725,000**	**1,225,000**	**4,725,000**	**6,625,000**	**5,000,000**
Pipeline & Pumpstation	213,676															
Telemetry & Control	-	-	-					100,000	225,000	225,000	225,000	225,000	225,000	225,000	125,000	
Treatment Plant	58,221															
WWTP upgrades- new national standards						500,000	500,000	500,000	5,000,000	5,000,000	4,500,000	500,000	1,000,000	4,500,000	6,500,000	5,000,000
Resilient infrastructure	**118,012**	**400,000**	**614,400**	**628,904**	**943,058**	**2,082,236**	**2,095,953**	**2,109,610**	**1,123,179**	**1,136,132**	**227,875**	**233,116**	**238,478**	**243,963**	**249,574**	**255,314**
Install additional manholes	23,252															
Long term Netowrk Capacity and resilience upgrades																
Mains Replacement						125,000	125,000	125,000	125,000	125,000	127,875	130,816	133,825	136,903	140,052	143,273
Resilient Westport Infrastructure Development						1,000,000	1,000,000	1,000,000								
Separation Stormwater/Wastewater ILOS			200,000	200,000	500,000	500,000	500,000	500,000	500,000	500,000						
Sewer Modelling & Separation	94,760	400,000	414,400	428,904	443,058	457,236	470,953	484,610	498,179	511,132	100,000	102,300	104,653	107,060	109,522	112.041

Water	**5,698,654**	**3,018,528**	**4,714,857**	**7,364,592**	**6,323,776**	**3,683,296**	**4,843,339**	**5,042,526**	**4,613,019**	**5,221,181**	**2,896,063**	**2,729,533**	**2,717,339**	**2,722,940**	**2,849,068**	**1,788,186**
Aging Infrastructure	**4,175,459**	**1,989,598**	**3,771,919**	**5,240,799**	**4,877,845**	**1,485,817**	**1,431,758**	**1,548,459**	**2,032,664**	**2,335,692**	**2,379,063**	**2,212,533**	**2,200,339**	**2,223,418**	**2,247,027**	**1,673,568**
Assessments & Strategies	62,446	70,000	59,624	61,115	62,398	24,142	24,624	25,117	25,619	26,132	26,733	27,347	27,976	28,620	29,278	29,952
Assessments, Strategies & Modelling	166,923	20,000	20,560	21,074	21,517	164,602	22,386	22,834	23,290	183,721	187,946	192,269	183,721	183,721	183,721	183,721
Main Renewals	108,634	595,798	680,929	695,137	751,941	659,517	707,577	718,460	1,197,710	1,335,764	1,356,137	1,166,080	1,182,550	1,199,398	1,216,635	636,656
Minor Capital	214,971	192,000	197,376	197,042	201,180	205,203	209,307	213,494	217,763	222,119	227,227	232,454	237,045	242,252	247,577	253,026
Minor Capital	196,380	300,000	308,400	316,110	322,748	329,203	335,787	342,503	349,353	356,340	364,536	372,920	356,340	356,340	356,340	356,340
Reticulation Valves	44,602	45,000	46,260	47,417	48,412	49,380	50,368	51,375	52,403	53,451	54,680	55,938	53,451	53,451	53,451	53,451
Supply Improvements	19,640	-	143,920	147,518	150,616	-	-	-	-	-						
Trunkmain Renewal	3,092,984	-	-	-	3,227,483	-	-	68,501	69,871	71,268	72,907	74,584	71,268	71,268	71,268	71,268
Tunnell Bracing	-	500,000	2,056,000	3,687,950	-	-	-	-	-	-						
Water meter & backflow renewals												-				
Water Supplies - Minor capital	1,760	1,800	1,850	3,161	3,227	3,292	3,358	3,425	3,494	3,563	3,645	3,729	3,815	3,903	3,992	4,084
WTP renewals	267,119	265,000	257,000	64,276	88,322	50,478	78,350	102,751	93,161	83,334	85,250	87,211	84,172	84,465	84,764	85,070
WTP Renewals (DWS)					-	-	-	-	-			-				
Growth and network extension								**125,000**	**125,000**	**125,000**	**125,000**	**125,000**	**125,000**	**109,522**	**112,041**	**114,618**
Network Extension								125,000	125,000	125,000	125,000	125,000	125,000	109,522	112,041	114,618
Regulatory compliance	**1,361,182**	**718,456**	**891,538**	**2,028,960**	**1,327,590**	**1,098,718**	**2,378,002**	**2,311,983**	**2,420,419**	**2,724,855**	**392,000**	**392,000**	**392,000**	**390,000**	**490,000**	
Backflow Prevention	434,751	373,200	383,650	393,241	401,499	409,529	81,932	70,784	72,200	429,984						
Drinking Water Standards (DWS)	396,201	335,256	363,969	1,273,571	487,750	358,216	347,948	404,782	395,123	457,994						
Other Capital	49,098	-	102,800	-	107,583	-	111,929	-	116,451	-						
Water meter & backflow installation				320,000	320,000	320,000	325,000	325,000	325,000	325,000	392,000	392,000	392,000	390,000	490,000	
Water Safety compliance upgrades	481,132	10,000	41,120	42,148	10,758	10,973	11,193	11,417	11,645	11,878						
WTP Upgrade							1,500,000	1,500,000	1,500,000	1,500,000						
Resilient infrastructure	**162,013**	**310,474**	**51,400**	**94,833**	**118,341**	**1,098,761**	**1,033,579**	**1,057,084**	**34,935**	**35,634**						
Koeghans Bridge	-	180,474	-	-	-	-	-	-	-	-						
Long term upgrades resilience and safety																
Other Capital - Easement	108,011	110,000	30,840	31,611	53,791	32,920	33,579	57,084	34,935	35,634						
Other Capital - Water Resilience Upgrade	54,002	20,000	20,560	63,222	64,550	65,841	-	-	-	-						
Resilient Westport Infrastructure Development						1,000,000	1,000,000	1,000,000								
Grand Total	**7,966,024**	**12,466,357**	**16,442,615**	**15,126,864**	**12,239,958**	**10,576,363**	**11,448,017**	**12,329,992**	**14,507,883**	**15,454,464**	**13,354,376**	**10,315,213**	**10,693,597**	**14,129,413**	**15,417,142**	**10,948,377**

Historical delivery against planned investment

Planned and actual spend against budget for the last five years is provided in the following table. As outlined in each year's Annual Report, significant differences between planned and actual are due to significant flooding in Westport in 2021 and impacts caused by COVID-19 lockdowns and constraints.

The implementation plan includes an early focus on the overall capital investment requirements for each of the districts focusing on financial sustainability and deliverability. A key establishment principle is for each of the West Coast Councils to ensure they deliver on the capital programmes outlined in each Long-Term Plan until transition and a Project Management Office will be established early to support a smooth transition and provide confidence to contractors. Given the remote location of the West Coast region and the size of the overall programme in comparison to larger centres across the country, deliverability is noted as a key risk due to contractor, consultant and materials availability and resourcing constraints.

Delivery against planned investment	Renewals investment for water services ($000)						Total investment in water services ($000)					
	FY 23/24	FY 22/23	FY 21/22	FY 20/21	FY 19/20	Total	FY 23/24	FY 22/23	FY 21/22	FY 20/21	FY 19/20	Total
Total planned investment (set in the relevant LTP)	1,682	1,834	1,950	1,773	1,651	8,890	2,470	2,515	2,230	2,015	1,887	11,117
Total actual investment	1,111	2,261	972	4,439	4,414	13,197	3,465	4,615	5,651	4,808	5,037	23,576
Delivery against planned investment (%)	**66%**	**123%**	**50%**	**250%**	**267%**	**148%**	**140%**	**183%**	**253%**	**239%**	**267%**	**212%**

Significant capital projects

There are a number of significant capital projects for BDC, with the full summary programme outlined above. The key capital project for each of the three waters is:

Westport Wastewater and Stormwater Separations 10-Year Programme
BDC's Long Term Plan includes a $4m programme, commencing in July 2025 and continuing over the next 10 years, to remediate approximately 620 private properties in Westport that have cross connected stormwater and wastewater connections. These cross connections are introducing large volumes of pluvial water into the wastewater network, resulting in overflows from wastewater pump stations in medium rainfall events. As a condition of the wastewater Resource Consent renewal, BDC has committed to removing all identified cross connections by 30-June-2035.

Untreated Northern Supply Drinking Water Programme
BDC's Long Term Plan included capital budgets for the Little Wanganui, Waimangaroa and Mokihinui water supplies for improving the quality of the raw water take, to allow connected properties to self-treat the raw water at the point of supply. At the time the LTP was being developed, Taumata Arowai was unable to officially endorse this approach, so full treatment plant options were subsequently added to BDC's AMP+ financial model. Subsequent advice from Taumata Arowai now indicate that the Point of Supply treatment option is likely to provide an acceptable level of water safety – without adversely affecting these small communities financially.

Reefton Wastewater Resource Consent Renewal and SW Separation
The Reefton wastewater Resource Consent will expire in August 2028. Reefton will face the same challenges that Westport has encountered, along with the additional problem of not having an existing stormwater network to separate pluvial water into. Significant modelling, scope and design work will be required to explore options for providing an alternative to the discharging of stormwater into the wastewater network, that may result in a combination of on-site detention, overland flows and a reticulated network. The modelling work has begun and should be completed within the next year, allowing time to better understand the options available and the resulting performance and financial implications.

Risks and assumptions

A list of significant risks from a WSCCO perspective is provided as a combined list in Water Services Delivery Plan – Additional Information. The risks detailed in the table below are a summary of the key Three Waters risks for BDC.

Activity	Risk Title	Risk Description and Impact	Key Controls in place	Control Plan
Water Supply	Water supply backflow prevention	Across all BDC water supplies there is very little in the way of back flow prevention fitted to stop contaminants being back syphoned or pumped into the reticulation from farms and other high-risk connections. Legislation requires a backflow prevention programme to be in place.	There are a small number of BFP devices currently fitted. LTP 2021-31 has BFP investments for major water supplies to work towards compliance, with an increase of the pace of the programme in the AMP+.	A backflow prevention (BFP) strategy and BFP Specification has been initiated. At risk connections are identified. Installation programme first phase on high-risk connections is in place.
Water Supply	Westport water supply	IF adequate controls safeguarding the integrity and/or condition of water supply infrastructure are not in place THEN we are exposed to potential disruption/non-compliance of these systems leading to potential harm, reputational damage etc	Catchment risk assessments Water safety plans Land zoning (water reserve) Strict adherence to maintenance and service check schedules Compliance checks and strict adherence to testing regimes Automated (real-time) detection systems and plant shut down Asset management plans for equipment and infrastructure Staff training Communication/notification systems to alert to issues and reduce harm	Council has committed to the large-scale trunk main replacement. This has increased resilience and decreased risk of seismic loss. Pressure Reduction and Earthquake valves have also been installed. Council remains committed to further resilience improvement investment such as treatment optimisation, raw water storage pond improvement and the north branch reconnection project. Effective Operations and Service Delivery utilities maintenance contract. Additional water source investigation under way near the Buller River and North Branch Giles Creek

Activity	Risk Title	Risk Description and Impact	Key Controls in place	Control Plan
Water Supply	The untreated Cape Foulwind water supply is suspected to have domestic users connected	The Cape Water Supply is a stock water supply and should have no domestic usage as it is untreated, and families could get sick if they drink the water. WestReef have advised that they suspect there is some domestic usage. Possibly the users will not be aware that the water is untreated.	Public notification (Connect newsletter) - Letter Drop, Website information. New rural user Information pack.	Letter Drop to all users to remind them of obligations and risks. Property sales trigger a reminder letter to the new owner that the supply is intended for agricultural use only.
Water Supply	Inangahua water supply	IF adequate controls safeguarding the integrity and/or condition of water supply infrastructure are not in place THEN we are exposed to potential disruption/non-compliance to these systems leading to potential harm, non-compliance, reputational damage etc Additional security risk	Catchment risk assessments Water safety plans Land zoning (water reserve) Strict adherence to maintenance and service check schedules Compliance checks and strict adherence to testing regimes Automated (real-time) detection systems and plant shut down Asset management plans for equipment and infrastructure Staff training Communication/notification systems to alert to issues and reduce harm	Bore protection area to be expanded to meet regulations; easement also to be established. Network improvements are required to reduce risk of network contamination. Metering/backflow preventor installation is scheduled.

Activity	Risk Title	Risk Description and Impact	Key Controls in place	Control Plan
Water Supply	Punakaiki water supply	IF adequate controls safeguarding the integrity and/or condition of water supply infrastructure are not in place THEN we are exposed to potential disruption/non-compliance to these systems leading to potential harm, non-compliance, reputational damage etc. Recent intentional source water interference events remain a concern. Security cameras have been installed at the intake, access track and at both water storage sites.	Catchment risk assessments Water safety plans Land zoning (water reserve) Strict adherence to maintenance and service check schedules Compliance checks and strict adherence to testing regimes Automated (real-time) detection systems and plant shut down Asset management plans for equipment and infrastructure Staff training Communication/notification systems to alert to issues and reduce harm	Significant DWS upgrade completed in 2024/25 to attain treatment compliance to NZDWS Land acquisition still ongoing Security at access point improved, fencing etc.
Water Supply	Waimangaroa water supply	IF adequate controls safeguarding the integrity and/or condition of water supply infrastructure are not in place THEN we are exposed to potential disruption/non-compliance to these systems leading to potential harm, non-compliance, reputational damage etc.	Catchment risk assessments Water safety plans Land zoning (water reserve) Strict adherence to maintenance and service check schedules Compliance checks and strict adherence to testing regimes Asset management plans for equipment and infrastructure Staff training Communication/notification systems to alert to issues and reduce harm	Property sales trigger a reminder letter to the new owner that the supply is untreated. BDC is liaising closely with Taumata Arowai and undertaking investigations for treatment options to meet the DWQAR. Point of supply UV and filtration treatment of raw water proposed for each property is proposed. Scheme size/compliance options are being assessed. Now operated by WestReef.

Activity	Risk Title	Risk Description and Impact	Key Controls in place	Control Plan
Water Supply	Little Wanganui water supply	IF adequate controls safeguarding the integrity and/or condition of water supply infrastructure are not in place THEN we are exposed to potential disruption/non-compliance to these systems leading to potential harm, non-compliance, reputational damage etc.	Catchment risk assessments Water safety plans Land zoning (water reserve) Strict adherence to maintenance and service check schedules Compliance checks and strict adherence to testing regimes Asset management plans for equipment and infrastructure Staff training Communication/notification systems to alert to issues and reduce harm	Property sales trigger a reminder letter to the new owner that the supply is untreated. BDC is liaising closely with Taumata Arowai and undertaking investigations for treatment options to meet the DWQAR. Point of supply UV and filtration treatment of raw water proposed for each property is proposed. Scheme size/compliance options are being assessed. Now operated by WestReef.
Water Supply	Mokihinui water supply	IF adequate controls safeguarding the integrity and/or condition of water supply infrastructure are not in place THEN we are exposed to potential disruption/non-compliance to these systems leading to potential harm, non-compliance, reputational damage etc	Catchment risk assessments Water safety plans Land zoning (water reserve) Strict adherence to maintenance and service check schedules Compliance checks and strict adherence to testing regimes Asset management plans for equipment and infrastructure Staff training Communication/notification systems to alert to issues and reduce harm	Property sales trigger a reminder letter to the new owner that the supply is untreated. BDC is liaising closely with Taumata Arowai and undertaking investigations for treatment options to meet the DWQAR. Significant DWS upgrade planned. Scheme size/compliance options are being assessed Volunteer management plan for maintenance activities to be put in place to manage PCBU and H&S risk
Water Supply	Ngakawau / Hector water supply	IF adequate controls safeguarding the integrity and/or condition of water supply infrastructure are not in place THEN we are exposed to potential disruption/non-compliance to these systems leading to potential harm, non-compliance, reputational damage etc	This Water Supply is a community operated scheme, as outlined in the Serviced Areas section. It is listed in Hinekorako as operated by the Ngakawau Water Society Cooperator. BDC has had legal advice that it owns the supply, and Council has accepted this as resolution.	As this is an on-going issue, legal advice or clarification of responsibilities with controlling entity is required as part of transition to the WSCCO. This is already on-going with BDC.

Activity	Risk Title	Risk Description and Impact	Key Controls in place	Control Plan
Wastewater	Wastewater	IF wastewater systems fail to operate THEN uncontrolled discharges may occur leading to environmental harm, compliance risks, cultural impacts etc	Maintenance checks Dedicated operator Automation functions and alarms Stand by generators	Three Waters team to work with the maintenance contractor to understand the risk profile
Wastewater	Westport WWTP - Discharges to the river can occur with the UV units off during periods of very low sewerage inflow	When the level drops in the UV units during periods of very low flow, the UVs shut off for 10 minutes at a time in order to protect the bulbs from overheating. However, the flow continues through this time. Meaning effluent can discharge to the river without being UV treated.	RC to be gained as part of Westport discharge consent renewal processes. Investigate options to augment flow using treated or raw water. Plant and event monitoring and recording to capture frequency of the issue.	Work with plant operators to minimise occurrences.
Wastewater	Sewerage Pump Stations - lack of Resource Consents	Orowaiti PS1-5, North Beach, Pakington, Rintoul, Roebuck, and Little Wanganui PSs have overflow pipes to waterways, but no consents exist for such discharges.	None	Resource consent development, adding screening to overflows, reducing stormwater influx leading to overflows, altering overflow to detention once sufficient controls are in place
Stormwater	Stormwater	IF a significant stormwater flooding event was to occur THEN infrastructure and/or property damage may occur and/or key access/egress routes may be compromised leading financial loss, to reputational risk, insurance changes etc.	Maintenance and servicing checks Design standards Stormwater Asset Management Plan	Stormwater modelling being performed to establish risk and prioritise mitigation

Activity	Risk Title	Risk Description and Impact	Key Controls in place	Control Plan
Stormwater	Flood Wall - implications	Flood Protection Works may negatively impact the ability of the stormwater network to cope with rainfall in town and after that the Wastewater. Without additional outflow works there will be flooding that will also flood the wastewater network.	Work in progress around stormwater modelling and integration of works. Currently nothing has been built but has been proposed. Application has been made to Regional Infrastructure Fund for $8.9m to fund new outfalls and pump out equipment. Decision due late 2025.	Modelling due late 2025 that will inform our response options.
3 Waters	H&S	IF Council does not have a robust system for managing health and safety risks and systematically and consistently apply the system THEN the risk of personal harm and liability may be increased.	H&S policy and procedures Training Dedicated H&S staff member	Infrastructure Specific H&S field and contract admin process being developed in lieu of Organisational improvements in the interim
3 Waters	Contractor management	IF clear standards and processes do not exist (and are not consistently applied) for the procurement and management of contractors (including subcontractors) THEN we face increased exposures in safety, financial loss and reputational impact.	H&S policy and procedures Training Part-time dedicated staff Contract document templates	Damstra and Vault being used.
3 Waters	Specifications and standards	IF clear standards and specifications are not established and maintained for asset and infrastructure procurement and maintenance THEN standardisation will be compromised leading to inefficiencies, unnecessary complexity, greater need for critical spares etc.	No specific controls or specifications in place at present	Develop key specifications. BDC Engineering Standards have been drafted and should be adopted by late 2025.

Activity	Risk Title	Risk Description and Impact	Key Controls in place	Control Plan
3 Waters	Information management	IF a systematic approach to securing and accessing information is not established (including succession planning and staff retirements and staff absence), THEN important information may be overlooked, undiscoverable or lost, leading to financial loss, lost opportunity, reputational impact or poor service delivery or service disruption.	Asset finder, RAMM, ArcGIS Some procedure development underway.	The WSCCO will need to determine which systems will be used for the new water services organisation, including looking at the existing systems for each Council as a potential basis.
3 Waters	Asset knowledge	IF we have incomplete records of where our infrastructure and assets are located THEN the ability to effectively manage and service these is affected leading to increased costs, delays, inefficiencies, reputational impact etc.	Asset finder database maintained for utilities RAMM for roading Ad hoc discovery updating Asset Finder	This is included as part of the transition.
3 Waters	Infrastructure Services documented Work Processes are largely absent	Many critical processes are not documented, and so new staff do not always know what processes and workflows to follow, or struggle to find shared data.	Transition to SharePoint is underway that will consolidate and re-organise data structures. Ongoing need to document systems and procedures.	This will be continued as part of the transition.

Assumptions

The following assumptions have been extracted from the Buller AMP and are specifically focused on BDC. Broader assumptions for the WSCCO are provided separately in the Additional Information section.

Assumption	Description of Risk	Level of Uncertainty	Financial Impact	Impact
Useful lives of significant assets BDC has made several assumptions about the useful life of its assets. These assumptions impact the depreciation charge included in the LTP. The details for each asset category are reflected in the Statement of Accounting Policies.	That the life of assets is materially different from those contained within the Plan.	Low	High	If the life of the assets is materially different from those contained within the LTP, the asset values stated in the prospective balance sheet and the profit contained in the prospective statement of financial performance would be affected. If the life was shorter than expected, then Council may need to replace the asset sooner than planned, which would need to be funded.
Significant asset condition Council's understanding of the condition of its assets underpins the renewal forecasts in the LTP (and the significant lives of assets discussed above). Council has sufficient information about the condition of most of its assets to forecast their probable replacement periods. However, we have limited affordability to fund full asset assessments. Renewals can be challenging if the actual condition varies from the assumed condition.	The asset condition information is not a sufficiently accurate representation of the actual condition of assets. The BDC capital programme includes funding for CCTV imaging for the wastewater and stormwater networks. For water supply, contractor feedback is required for on-going condition ratings.	Low	High	If the asset condition is substantially worse than expected, there is an increased risk of unexpected asset failure, and the increased costs of repairing assets would need to be funded. These costs are not included in the LTP, and Council would need to consider how they should be funded. Options include higher rates, use of cash reserves, or debt.
Natural disasters It is assumed that there will be limited events in the next 10 years, and that these events will not be significant. It is assumed that the West Coast Regional Council will complete their Resilience Westport package of work, which includes significant protection works for the township of Westport.	That there is a significant natural disaster in the district, such as flooding, earthquake or fire.	High	High	Council has insurance in place to cover natural disasters and insurance provisions will be required for the WSCCO. In the event of a significant event, BDC and potentially the other West Coast Councils may need to re-evaluate their work programmes and implement disaster recovery plans. BDC also may need to assess the financial impact of funding the local share for events.

Assumption	Description of Risk	Level of Uncertainty	Financial Impact	Impact
It is assumed that central Government will continue to support Resilience Westport programme of work via additional funding.				
Climate change Through the work undertaken by the TTPP, the Future Buller Project and Resilient Westport, there is an increased clarity of areas and zones affected by Climate Change and Natural Hazards in general. Coastal hazards (coastal erosion and inundation) in the proposed TTPP were mapped using the most accurate data and modelling available in the form of highly accurate Light Detection and Ranging (Lidar) data. The criteria for analysis is based on the Ministry for the Environment (MFE) guidelines set out in 'Coastal Hazards and Climate Change 2017' for estimating Sea Level Rise (SLR).	The potential impacts of climate change might lead to increased costs for Council in both responding to events and building greater resilience into infrastructure.	High	High	Climate change is likely to increase the magnitude of some natural hazards in the medium to long term. Therefore, it is important to incorporate risk management in the design of infrastructure supporting new developments to maintain the same level of service throughout the design lifetime. The design of infrastructure for land development and subdivision needs to provide for the potential impact of sea level rise and the increased frequency of extreme weather events. The TTPP will assist Council in ensure new resource consent applications minimises future exposure to natural hazards based on the latest scientific data. All LIMs issued have all the natural hazards information shared with the applicant as they pertain to their property request. The work completed by the Future Buller Project also highlights the requirement to plan for future adaptation for those communities that are under duress by climate change. The Resilient Westport Project has provided a Master Plan as a possible solution for an intergenerational adaptation model; however, spatial plans still need to be developed for other communities exposed to natural hazards.

Assumption	Description of Risk	Level of Uncertainty	Financial Impact	Impact
Resource consents It is assumed that resource consents held by Infrastructure Services will not be significantly altered, and any due for renewal during the life of the AMP+ can be renewed accordingly.	That conditions of resource consents are significantly altered, and there are accordingly significant new compliance costs or consents cannot be renewed or introduce significant financial burden.	Medium	High	Budgets are in place for the renewal of resource consents. Any increased compliance costs will be managed through the Annual Plan process and asset investment needs until transition to the WSCCO. If resource consents are not renewed, Council/the WSCCO will need to consider how it delivers these services. These costs could be significant, for example, if water extraction rights are not approved.
Stormwater management improvements Council will continue to seek external funding for improving the stormwater management in Westport township	If external funding is not received, the project will be unable to be completed.	High	High	There will continue to be stormwater management issues in the Westport township.
Wastewater improvement programme Council will continue to seek external funding for improving the wastewater management in Westport township.	Additional costs to ratepayers. Existing supply not fit for purpose.	High	High	There will continue to be resource consent compliance issues with Wastewater in the Westport township, with the potential for penalties to be enforced under the Resource Management Act.

Part B: Network performance

Grey District Council

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Part B: Network performance

Investment to meet levels of service, regulatory standards and growth needs

Grey District Council (GDC) has developed Activity Management Plans (AMPs) for each service to guide investment and ensure regulatory compliance, maintain levels of service (LoS) and support growth. These have been used as a basis to develop this section, alongside regulatory information and reporting.

Investment required in Water Services

Serviced Population

GDC commissioned a population projections report from Infometrics in July 2023. The findings predict the population to remain relatively static at around 14,200 people over the next 10 years. Under the high scenario, the population grows by about 52 people a year and conversely, under the low scenario, the population reduces by about 46 people per year over the next 10 years. With the potential for increased growth, including in the West Coast Councils Transport Business Case, we have assumed an average growth rate of 0.5% for the West Coast Councils.

GDC's water services network supports a population of approximately fourteen thousand residents distributed across several key areas including Greater Greymouth.

Projected serviced population	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Serviced population	14,200	14,271	14,342	14,414	14,486	14,559	14,631	14,705	14,778	14,852
Total residential connections – water	5,112	5,138	5,163	5,190	5,215	5,242	5,268	5,294	5,321	5,347
Total residential connections – wastewater	5,268	5,294	5,321	5,347	5,374	5,401	5,428	5,455	5,482	5,510
Total residential connections - stormwater	7,272	7,308	7,345	7,382	7,419	7,456	7,493	7,530	7,568	7,606
Total non-residential connections	121	121	122	122	123	123	124	125	125	126

Serviced areas

The following table outlines areas that do and do not receive water services, number of connections and proposed growth areas.

Serviced areas (by reticulated network)	Water supply # schemes	Wastewater #schemes	Stormwater # catchments
Residential areas (If more than one identify separately)	• Blackball: 190 connections • Greater Greymouth: 4,948 connections	• Greater Greymouth area (Greymouth, Cobden, Blaketown, Boddytown, Dobson, Taylorville and Kaiata) : 3,696 • Karoro, South Beach, Paroa : 688 • Runanga/Dunollie: 543 • Moana: 334 • Blackball: 200 • Iveagh Bay (Te Kinga) : 51 • Kaiata development scheme (about to be vested from developer): 64	GDC provides stormwater services to the following areas: • Blackball • Blaketown • Cobden • Dobson/Taylorville • Greymouth • Iveagh Bay • Karoro • Moana • Runanga • Rural • South Beach/Paroa • Stillwater
Non-residential areas (If more than one identify separately)	• Blackball: 3 connections • Greater Greymouth: 111 connections	All included in residential schemes. Trade waste is charged separately.	Stormwater systems exist over, through and under roads, which are designed infrastructure corridors; these roads support non-residential land uses. SW infrastructure provides service to commercial, industrial and mixed-use zones (as identified by District Plan.
Mixed-Use rural drinking water schemes (where these schemes are not part of GDC's water services network)	None	n/a	n/a

Areas that do not receive water services (If more than one identify separately)	There are about 70 medium to very small private reticulated supplies at various schools, community halls, camping grounds, tourism establishments and small communities like Ahaura and Nelson Creek.	Some properties are still not connected due to infrastructure gaps or combined stormwater/wastewater systems. Around 1,010 properties still discharge wastewater into the combined system.	Council does not manage land drainage matters in rural-residential or rural areas, other than with respect to roads.
Proposed growth areas • Planned (as identified in district plan) • Infrastructure enabled (as identified and funded in LTP)	Long-term growth projections are low, as shown in the growth projection rates. Whilst there is allowance for some growth, they are not yet quantified in the Long-Term Plan. Additional reservoir for the Cobden area, Blackball for tourism growth, Lake Brunner (Moana, Beechwater, TeKinga, Mitchells), Rutherglen-Camerons (South Beach, Paroa, Gladstone, Camerons)	Long-term growth projections are low, as shown in the growth projection rates. Whilst there is allowance for some growth, they are not yet quantified in the Long-Term Plan. Blackball for tourism growth, Lake Brunner (Moana, Beechwater, TeKinga, Mitchells), Rutherglen-Camerons (South Beach, Paroa, Gladstone, Camerons)	Long-term growth projections are low, as shown in the growth projection rates. Whilst there is allowance for some growth, they are not yet quantified in the Long-Term Plan. Blackball for tourism growth, Lake Brunner (Moana, Beechwater, TeKinga, Mitchells), Rutherglen-Camerons (South Beach, Paroa, Gladstone, Camerons)

Levels of service

The following three tables summarise GDC's current levels of service (what we'll measure) and performance measures (how we'll measure) for each water service (Drinking Water, Wastewater, and Stormwater) in alignment with the Department of Internal Affairs Mandatory Measures and as in use as per GDC's 2025/34 Long-Term Plan.

Table 2: Water Supply Levels of Service, Performance Measures and Targets

What we're measuring	How we'll measure	Target				
		Current Performance (2024/2025)	Year 1 (2025/2026)	Years 2 – 3 (2026/2027 – 2027/2028)	Years 4 – 9 (2028/2029 to 2033/2034)	Target Trend (years 1-9)
Performance measure 1 - Safety of drinking water	The extent to which the local authority's drinking water supply complies with the following parts of the drinking water quality assurance rules: 4.4 T1 Treatment Rules 4.5 D1.1 Distribution System Rule 4.7.1 T2 Treatment Monitoring Rules 4.7.2 T2 Filtration Rules 4.7.3 T2 UV Rules 4.7.4 T2 Chlorine Rules 4.8 D2.1 Distribution System Rule 4.10.1 T3 Bacterial Rules 4.10.2 T3 Protozoal Rules 4.11.5 D3.29 Microbiological Monitoring Rule	Greater Greymouth scheme: Not achieved	Greater Greymouth scheme: Not achieved	Greater Greymouth scheme: Achieved	Greater Greymouth scheme: Achieved	Improving (Upgrading our water treatment plants to achieve compliance)
		Blackball Scheme: Not achieved	Blackball Scheme: Not achieved	Blackball Scheme: Not Achieved	Blackball Scheme: Achieved	
Performance measure 2 - Maintenance of the reticulation network	The percentage of real water loss from the local authority's networked reticulation system					

What we're measuring	How we'll measure	Target				
		Current Performance (2024/2025)	Year 1 (2025/2026)	Years 2 – 3 (2026/2027 – 2027/2028)	Years 4 – 9 (2028/2029 to 2033/2034)	Target Trend (years 1-9)
	Council will use water meter information, bulk production meters and any other information available to complete a desktop analysis of real water loss over the reporting year.					
	Greymouth Greater	65%	65%	55%	45%	Improving (Decreasing water loss)
	Blackball	42%	42%	39%	35%	
Performance measure 3 – Fault response times	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: Attendance for urgent callouts: from the time that the local authority receives notification to the time that service personnel reach the site	3 Hours 45 Mins	1 hour	1 hour	1 hour	Maintain
	Resolution of urgent callouts: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.	23 Hours 48 Mins	5 hours	5 hours	4 hours	Improving (Decreasing resolution time)

What we're measuring	How we'll measure	Target				
		Current Performance (2024/2025)	Year 1 (2025/2026)	Years 2 – 3 (2026/2027 – 2027/2028)	Years 4 – 9 (2028/2029 to 2033/2034)	Target Trend (years 1-9)
	Attendance for non-urgent callouts: from the time that the local authority receives notification to the time that service personnel reach the site	21 Hour 6 min (21.1 hours)	1.5 working days	1.5 working days	1.5 working days	Maintain
	Resolution of non-urgent callouts: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption	20 Hours 27 Mins	5 working days	5 working days	3 working days	Improving (Decreasing resolution time)
Performance measure 4 - Customer Satisfaction	The total number of complaints received by the local authority about any of the following: • drinking water clarity • drinking water taste • drinking water odour • drinking water pressure or flow • continuity of supply, and • Council's response to any of these issues expressed per 1,000 connections to Council's reticulation system.	Total complaints: 31 Per 1,000 properties: 5.9 (5,233 connections)	Total complaints: 147 Per 1,000 properties: 27.9 (5,268 connections)	Total complaints: 133 Per 1,000 properties: 25.25 (5,268 connections)	Total complaints: 123 Per 1,000 properties: 23.35 (5,268 connections)	Improving (Decreasing complaints)
Performance measure 5 - Demand Management	The average consumption of drinking water per day per resident within the Grey District.	995 litres per person per day	< 640 litres per person per day	< 640 litres per person per day	< 550 litres per person per day	Improving (Decreasing water use)

Table 3: Wastewater Levels of Service, Performance Measures and Targets

What we're measuring	How we'll measure	Target				
		Current Performance (2024/25)	Year 1 (2025/26)	Years 2 – 3 (2026/2027 – 2027/28)	Years 4 – 9 (2028/29 to 2033/34)	Target Trend (years 1-9)
Performance measure 1 (system and adequacy)	The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system.	Total overflows: 9 Per 1,000 connections: Actual: 1.6 per 1000 connection	Total overflows: 9 Per 1,000 connections	Total overflows: 9 Per 1,000 connections	Total overflows: 8 Per 1,000 connections	Improving *(decreasing complaints)*
Performance measure 2 (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.	(a) Nil (b) Nil (c) Nil (d) Nil	(a) 2 (b) 1 (c) Nil (d) Nil	(a) 2 (b) 1 (c) Nil (d) Nil	(a) 2 (b) 1 (c) Nil (d) Nil	No change
Performance measure 3 (fault response times)	Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured:	(a) 49 minutes (b) 2 hrs 14 minutes	(a) 1 hour (b) 5 hours	(a) 1 hour (b) 5 hours	(a) 1 hour (b) 4 hours	Improving *(decreasing time to resolve problems)*

	(a) attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site, 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.					
Performance measure 4 (customer satisfaction)	The total number of complaints received by the territorial authority about any of the following: (a) sewage odour (b) sewerage system faults (c) sewerage system blockages, and (d) the territorial authority's response to issues with its sewerage system,	Total of 71 Actual: 13.03 per 1000 connection	Total of 98 Actual: 18.65 per 1000 connection	Total of 95 Actual: 18.08 per 1000 connection	Total of 90 Actual: 17.13 per 1000 connection	Improving *(decreasing over time)*

Table 4: Stormwater Levels of Service, Performance Measures and Targets

What we're measuring	How we'll measure	Target				
		Current Performance (2024/25)	Year 1 (2025/26)	Years 2 – 3 (2026/2027 – 2027/28)	Current Performance (2024/25)	Target Trend (years 1-9)
Performance measure 1 (system adequacy)	(a) The number of flooding events that occur in a territorial authority district. (b) For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's stormwater system.)	(a) Nil (b) Nil	(a) 2 (b) Total floors: 2 Per 1,000 properties:	(a) 3 (b) Total floors: 2 Per 1,000 properties	(a) 4 (b) Total floors: 2 Per 1,000 properties	Increasing
Performance measure 2 (discharge compliance)	Compliance with the territorial authority's resource consents for discharge from its stormwater 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.	(a) Nil (b) Nil (c) Nil (d) Nil	(a) 2 (b) 1 (c) Nil (d) Nil	(a) 2 (b) 1 (c) Nil (d) Nil	(a) 2 (b) 1 (c) Nil (d) Nil	No change
Performance measure 3 (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.	Nil	3 hours	3 hours	3 hours	No change

Performance measure 4 (customer satisfaction)	The number of complaints received by a territorial authority about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority's stormwater system.	Total complaints: total complaints = 80 resulting in 10.38 per 1000 properties(target 60) Per 1,000 properties:	Total complaints: 60 Per 1,000 properties	Total complaints: 60 Per 1,000 properties:	Total complaints: 60 Per 1,000 properties	No change

Assessment of the current condition and lifespan of the water services network

This table summarises data from the Activity Management Plans for Water, Wastewater, and Stormwater, using 2024 valuation reports. A 2018 pipe condition assessment improved data quality for some critical parts of the Grey District networks. Where not covered by the 2018 inspection, condition ratings for above and below ground assets used for this WSDP are predominantly sourced from desktop assessments based on age and material.

There are two key activities supporting an increase in condition data and use of it for renewals planning:

- CCTV footage is now being captured for wastewater and stormwater inspections. In order to effectively utilise the information captured to support the GDC renewals programme, an improvement programme will be put in place during the transition to the WSCCO to formally take current and future CCTV footage and use it to accurately determine condition information to inform the on-going renewals programme.
- A separate programme is in place to support water leakage, which will also be used to drive the on-going renewals programme.

Parameters	Drinking supply	Wastewater	Stormwater
Average age of Network Assets	**34 years** Pipe networks are on average 50% through their useful life.	**21 years** (Average age of the assets in each community). The wastewater pipes are on average 24% through their useful life	**50 years** (25% of the total network of pipe assets are passed its useful life. Cobden (average pipe age – 63 years) Blaketown (average pipe age – 70 years) Greymouth (average pipe age – 50 years).
Critical Assets	Critical assets are documented in Unity (the GDC asset management system) and are those whose failure would significantly impact service delivery, public health, or firefighting capability. The include WTP, pump stations, reservoirs and trunk mains. The AMP highlights the need for proactive maintenance and renewals to ensure resilience and compliance.	Critical assets are those whose failure would significantly impact service delivery, environmental harm or public health; the AMP emphasises critical assets, failure is not acceptable and programme maintenance and planned renewals are essential. (WWTP, pump stations, combined sewer/SW systems (particularly Greymouth).	A prioritisation framework is used for capital projects, categorising from A to D.

Above ground assets • Treatment plant/s	6 Treatment plants. 2 are operational. 4 are non-operational but still maintained. 3 of the non-operational plants are non-compliant and not part of GDC's water safety plans. Sids Road WTP is compliant but is in maintenance only mode. 15 pump stations 16 reservoirs	6 wastewater schemes and treatment plants 39 pumping stations	Open channels, drains, flood protection (floodgates), 7 pump stations and retention basins.
• Percentage or number of above ground assets with a condition rating	100%	100%	Condition assessments have been undertaken for some SW assets; these assessments improve understanding of actual useful life which informs the identification of deferred renewals in the Capital Expenditure Programme.
• Percentage of above –ground assets in poor or very poor condition	Current condition assessments are not sufficiently reliable to calculate an accurate overall percentage. This is currently being addressed. Backlog of renewals $11M	Current condition assessments are not sufficiently reliable to calculate an accurate overall percentage. This is currently being addressed. Backlog of renewals $1.16M	Backlog of renewals $6.43M

Below ground assets • Total Km of reticulation	226.4km	182km	133.7km of SW pipes (includes manholes and inlets).
• Percentage of network with condition grading	100% (based on age and material)	100% (based on age and material)	100% (based on age and material)
• Percentage of network in poor or very poor condition	Current condition assessments are not sufficiently reliable to calculate an accurate percentage. 23% (46.4km) has exceeded its base life. Backlog of renewals is ~$19M	Current condition assessments are not sufficiently reliable to calculate an accurate percentage. Pipes network is on average 24% through its useful life. Runanga is the furthest through (53%). This equates to 10% of overall network. Backlog of renewals $1.13M	21% (27.9km) has exceeded its base life. Pipe network is on average 45% through its useful life. Cobden Urban, Cobden and Blaketown pipe networks are the furthest through their useful lives. Over 30% of the total stormwater pipe network (133,614m) needs to be replaced (based on age) in the next 10 years. Backlog of renewals $21.1M

Asset valuations at as June 2024 are as follows:

Asset Group	Optimised Replacement cost $	Optimised Depreciated Replacement Cost $	Annual Depreciation $
Water	106,558,355.81	51,950,567.56	1,574,492.74
Wastewater	156,136,355.75	107,899,443.97	2,252,729.62
Stormwater	145,577,798.77	62,197,639.71	1,673,337.74
Total	408,272,510.33	222,047,651.25	5,500,560.10

Asset Management Approach

The asset management approaches are outlined in separate Activity Management Plans for Water Supply, Wastewater and Stormwater. A summary of each of them is provided below.

Following the summaries, further commentary is provided on the changes that GDC is implementing, and transitioning through to the WSCCO, regarding the approach to renewals and capital delivery.

Water Supply

The asset management approach is outlined in section 8.2 of the Grey District Council 2025 Activity Management Plan (AMP) for Water Supply. The overall aim is to preserve the life of Council's Water Supply assets for their intended purpose. While the asset's age is the main driver of the life cycle process, other factors such as use, durability and quality of construction influence the asset's performance.

The AMP process is to undertake condition assessments to gauge the state of assets and identify renewals and programmed maintenance. Where information is available, the plan identifies where an asset is reaching the end of its life cycle. It is noted that the current condition assessments may not be a reliable data source for the asset. Where it is not, asset age and remaining useful life are used to determine its condition.

GDC endeavours to manage the life cycle of its Water Supply activity assets through operation and maintenance planning for optimal asset utilisation, and the identification and programming of capital works (i.e. asset development, renewals, upgrades, disposal) that will sustainably deliver the required level of service. This involves anticipating and managing risks and optimising decision making throughout the life of the assets.

Infrastructure and asset maintenance is carried out by a mixture of contractors and in-house Council staff. Contractors are used where skills and equipment are not available in-house or where the work can be completed more efficiently and to an appropriate standard by contractors. Maintenance standards are monitored on performance criteria measures, levels of service, reports, spot checks by Council staff and general feedback by the public (complaints).

The work of operating and maintaining the physical systems is contracted out, typically for 5-year contracts. The contractor is required to operate and maintain the assets to achieve specified outcomes and ensure they provide the required levels of service. West Roads Limited is the newly appointed contractor.

Council owns and operates two drinking water supplies - the Greater Greymouth Water Supply (GGWS) - which supplies drinking water to the majority of Grey District's urban area (approx. 9,700 people) and the Blackball Supply which supplies 290 people. The Runanga/Rapahoe Water supply was previously a separate supply but since 2018 has been supplied by the Greater Greymouth WTP (known as Coal Creek WTP) and is a zone of the GGWS. The Runanga/Rapahoe Water Supply does have its own water treatment plant, which is compliant with current standards. This plant however is not active as cost efficiencies are seen when the supply is fed from the GGWS. At the time of writing this document, Council was however working through the process to bring Runanga/Rapahoe WTP online, to take high demand pressure away from the GGWS. Commissioning of the treatment plant is underway, meaning that GDC may operate three separate supplies in the future (or on a temporary basis).

The contract is performance based with a focus on forward programming, preventative maintenance and reporting, however, there are certain minimum standards. Contract works must be carried out to an acceptable standard, at the least cost, with minimum disruption to the community and the environment.

Major renewals or new capital works are also contracted out via tender.

Council is responsible for the operation and maintenance of these schemes, which includes:

- Responding promptly to fix all faults.
- Detecting and fixing leaks.
- Planning and carrying out renewals to replace assets in a timely manner.
- Monitoring treated effluent quality to ensure it meets the required consent standards and is not creating a public health risk or adverse effects on natural and physical resources.
- Planning to respond to emergency events that may damage the network, such as earthquakes. We often refer to this as Lifelines Planning, as lifelines are critical services that will be needed during an emergency event.
- Forward planning to ensure future demand can be met, taking into account anticipated growth and other factors such as climate change impacts.

For the three waters Asset Management System, Council uses a geographical information system (GIS) with specifically developed assets management software developed and supported by Unity to collate asset information on the location, age, condition and material of assets. Other important information such as additions, disposals and costs of assets is also collated in this system. The system provides valuation information and predictive analysis.

Even where condition assessments for the Water supply, Wastewater and Stormwater assets have been completed, it is noted that condition assessment of such assets continues on an ongoing basis.

The outcome of the programmes and activities (as outlined above) that support an improvement in condition information means Council now have better information about the actual useful lives of our assets than it did before, and this will continue to improve. This information, combined with valuation data has been used to determine the levels of deferred renewals we are facing, and it is reviewed on an on-going basis as more accurate information is available.

There is currently a $30.3 million backlog in renewals. As part of the development of the WSCCO AMP, this will be reviewed to ensure the speed at which the deficit is addressed is both affordable and achievable.

Wastewater

Overall, GDC's asset management approach for wastewater service delivery is based on lifecycle planning, with a core objective to preserve the life of Council's wastewater assets for their intended purpose. Asset age is the primary indicator of condition; other factors such as use, durability and quality of construction are also considered. Council acknowledges that current condition assessments may not always be reliable and relies on asset age and remaining useful life to inform renewals decision.

Section 8.2 of the Grey District Council 2025 Wastewater AMP outlines a structured lifecycle model that includes planning, creation, operations and maintenance condition & performance monitoring, rehabilitation, renewal and disposal. Planning anticipates future needs driven by (limited) growth, meeting a higher level of service, or asset failure. Maintenance is delivered through a mix of in-house staff and contractors. Major renewals and capital works are typically contracted out through tenders.

The Council use GIS and asset management software (Unity) to track asset location, age, condition and valuation. This Asset Management System supports the analysis and informs investment decisions. However, affordability is a constraint and Council balances proactive maintenance with reactive maintenance to manage assets and extend asset life while managing costs.

Critical assets (such as WWTP, pump stations and aging pipes) especially in Runanga are prioritised for renewal based on impact to public health and environmental compliance. The current backlog of renewals is $2.3m, which is 2.7% of the GDC total backlog.

Stormwater

Historically, GDC has had a variable approach to asset management lifecycle planning that are highly dependent on affordability and levels of service. The asset management approach is outlined in section 8.2 of the GDC 2025 Stormwater AMP. It states the overall aim is to preserve life of Council's Stormwater assets for their intended purpose and supports a council vision of 'Thriving, Connected, and Resilient Grey District'.

GDC manages its stormwater assets though a structured and evolving asset management approach that prioritises resilience, affordability, and regulatory compliance. Council maintains an asset register through Unity, supported by GIS and condition data which informs lifecycle planning and investment decisions. Much of the stormwater network condition is derived from age and material information. Targeted inspections and renewal planning is improving data quality and confidence.

The Council emphasises proactive maintenance and renewal programming to address deferred investment and aging infrastructure, including prioritising more critical assets and high-risk catchments, particularly in areas vulnerable to flooding. GDC integrates stormwater planning with broader environmental and (urban) development goals, ensuring infrastructure supports community wellbeing and growth.

Operational delivery is a mix of in-house and contracted services, with performance monitored through levels of service and community feedback. The Council is transitioning toward more predictive and risk-based asset management, aligning with national reforms and environmental performance standards. Investment decisions are guided by affordability assessments. GDC's approach also incorporates climate adaptation, with asset planning considering increased rainfall intensity, sea level rise and natural hazards. GDC acknowledges the improvements needed for data quality, asset valuation, and renewal forecasting to meet future services and regulatory requirements.

Approach to renewals

Historically, GDC has had to take a reactive approach to renewals planning which is based on age, material and failure. Given the risks to the network, this has required funds intended for renewals to be re-distributed when there have been failures in critical parts of the GDC network.

There are a number of changes in place to enable a transition to a more proactive approach:

- Increased visibility of the capital programme. As of August 2025, updates are provided on the status of the Capital Programme to Council.
- Additional operational funding has been included from 2025 to increase the internal team with additional design engineer and project management roles. Whilst GDC does not have a formal Project Management Office, the increase in the core team will help support achievability of the on-going capital programme and oversight of contractor delivery.
- A $250K reactive renewals budget is now in place (per year). This ensures that the on-going renewals programme has greater certainty instead of risking changes to respond to failures.

Statement of regulatory compliance

The following tables outline the current consents, compliance and those currently being renewed under section 124 Resource Management Act 1991.

Parameters	Drinking supply schemes	Wastewater schemes	Stormwater Schemes/catchments
Drinking water supply NB: formal compliance is for the TA compliance year: 1st Jan 2024 to 31st Dec 2024. Councils reporting year for their annual report is July to June so there is a mismatch	There were some invalid reports for the last compliance year which means a technical noncompliance in places. These were due to one sample not being taken in April and the SCADA system off-line for periods (where it requires constant monitoring).	n/a	n/a
Bacterial compliance (E.coli) detects and treatment monitoring (UV or chlorination)	2024 formal compliance assessment: Met for both supplies. NB- E.coli detects in GGWS in 2025 means it will 'not meet' for 2025 year.		
Protozoa compliance	Partially Met- both sites have UV in place however GGWS struggles with poor source water during bad weather and loss of bankside filtration log credit means the plant now needs 4 log certification for the UVs.		
Chemical compliance	Met: Blackball. Not met: Greater Greymouth (exceeded MAV for disinfection by-products on one occasion due to chlorination of organic matter in source water).		
Water advisory Notices in place (last 2 years)	4 in Blackball, 1 in Runanga/Rapahoe, 1 in Greater Greymouth in 2025.		
Fluoridation	No fluoridation in place but also no direction issued to add fluoride.		
Average consumption of drinking water	740L per day (does not meet targets due to leakages).		

Water restrictions in place (last 3 years	2 in Blackball in 2023, one in Greater Greymouth in 2024, one in Blackball and Greater Greymouth in Feb-Mar 2025. One in Runanga, Rapahoe on-going since 4 February 2025. Related to leaks rather than drought.		
Firefighting sufficient	Yes. Meets rules for each reservoir.		
Resource Management Significant consents (note if consent is expired and operating on S124)	Provided in table below: Drinking Water Consents	Provided in table below: Wastewater Consents	Provided in table below: Stormwater Consents
Expire in the next 10 years	2	Expired: 13 (see commentary below) Expiring in next 10 years: 9	Expired: 0 Expiring in the next 10 years: 1 RC92006 which expires on 25/11/2027
Non-compliance: • Significant risk non-compliance • Moderate risk non-compliance • Low risk non-compliance	 0 0 0		There are currently no significant non compliances to SW consents
Active resource consent applications	None		Provided in table below: Stormwater Consents

Compliance actions (last 24 months): • Warning • Abatement notice • Infringement notice • Enforcement order • Convictions	 0 0 0 0 0	There are currently no significant non compliances to WW consents reported in the AMP; however, several consents have technically expired, but because renewal applications were lodged in time, these consents remain lawful under section 124 of the RMA until the new applications are processed and decided. GDC is working with WCRC and iwi partners to enable consent renewals processes to move forward	No compliance actions against stormwater services in the last 24 months.

The tables below list the contents associated with delivering each of the three water services in accordance with regulatory requirements.

Table 5: Consents Associated with Drinking Water Supply Service Delivery

Consent no.	Type of consent/s	Purpose	General location	Status	Expiry date
RC01180/3	Water Permit	To take surface water from Blackball Creek for the purpose of providing a community water supply for Blackball.	Blackball	granted	15/10/2034
RC01180/3	Water Permit	To take surface water from the Blackball Creek for the purpose of providing a community water supply for Blackball.	Blackball	granted	8/01/2037

Consent no.	Type of consent/s	Purpose	General location	Status	Expiry date
RC10157/1	Water Permit	Dobson/Taylorville/Stillwater/Kaiata public water supply	Dobson-Taylorville	granted	18/11/2045
RC01180/1	Water Permit	To take surface water from the Grey River at Omoto from the purpose of providing a lifeline water supply for Greymouth	Greymouth	granted	15/10/2034
RC00244/1	Land Use Consent	To disturb the bed of the Grey River for the purpose of removing built up material from the area surrounding the Greymouth Water Supply Intake, carrying out 2 channel cuts to improve flushing of salt water from the area immediately adjacent to the water intake and for maintenance of the works.	Greymouth	granted	21/08/2035
RC01092/1	Land Use Consent	To install and maintain a new water supply intake structure in the bed of the Grey River and for associated disturbance.	Greymouth	granted	11/07/2036
RC01092/2	Land Use Consent	For earthworks associated with installing and maintaining a pipeline from the bed of the Grey River to Taylorville Road and excavating foundations for a high lift pumping station.	Greymouth	granted	11/07/2036
RC01092/3	Water Permit	To take groundwater from the Grey River via a subsurface infiltration system.	Greymouth	granted	11/07/2036
RC01092/4	Land Use Consent	To install and maintain a water supply pipeline beneath the bed of Coal Creek and for associated disturbance.	Greymouth	granted	24/07/2036
RC01092/5	Land Use Consent	For earthworks associated with installing a water supply pipeline along the Taylorville Road and for ongoing maintenance.	Greymouth	granted	24/07/2036
RC01180/1	Water Permit	To take surface water from the Grey River at Omoto for the purpose of providing a lifeline water supply for Greymouth.	Greymouth	granted	8/01/2037

Consent no.	Type of consent/s	Purpose	General location	Status	Expiry date
RC02075/1	Land Use Consent	Earthworks for the construction and maintenance of a reservoir and pipeline and associated disturbance, at South Beach	Greymouth	granted	20/09/2037
RC01180/2	Water Permit	To take ground water at Coal Creek for the purpose of providing a community water supply for Runanga.	Runanga	granted	15/10/2034
RC01180/2	Water Permit	To take ground water at Coal Creek for the purpose of providing a community water supply at Runanga.	Runanga	granted	8/01/2037
RCN94482	Water Permit	Take groundwater for Stillwater town supply.	Stillwater	granted	7/11/2029

Table 6: Consents Associated with Wastewater Service Delivery (Noting includes Combined Service Outfalls)

Location	Consent #	Type	Activity	Issue Date	Existing consent(s) term (years)	Existing consent(s) expiry date	Where existing consent has expired, understanding of basis for current discharges
Greymouth Stage 1	RC98037/1	Coastal Permit	To discharge sewage effluent to the Grey River from the following main outfall: **Cobden Main Outfall**	4 Jul 2003	10	2013	Lawful under s124(3) RMA in respect of application made in December 2012. Refer: **RC12234** 'To discharge to water from main outfalls and service overflows, Greymouth'.
	RC98037/5	Coastal Permit	To discharge sewage effluent to the Grey River from the following main outfall: **Blaketown Main Outfall**	4 Jul 2003	10		
	RC98037/7	Discharge Permit	To discharge sewage effluent to the Grey River from the following main outfall: **Johnston St Main Outfall**	4 Jul 2003	10		
	RC98037/11	Discharge Permit	To intermittently discharge untreated sewage effluent and stormwater from the following **CSO outfalls to the Grey River (true left bank – Greymouth)**: a) Boundary St Minor Outfall. b) Tainui St Minor Outfall. c) Custom St Minor Outfall. d) Gresson St Minor Outfall.	4 Jul 2003	35 (but after 8 years shall no longer contain human sewage effluent or trade waste)	2038 (2011)	
	RC98037/12	Discharge Permit	To intermittently discharge untreated sewage effluent and stormwater from the following **CSO outfalls to the Grey River (true right bank – Cobden)**: a) Hill Quay Minor Overflow. b) Blackett St Minor Overflow. c) Newcastle St Minor Overflow. d) Newcastle St Main Overflow. e) Cardwell St Minor Overflow. f) Taylor St Minor Overflow	4 Jul 2003	10	2013	Lawful under s124(3) RMA in respect of application made in December 2012. Refer: **RC12234** 'To discharge to water from main outfalls and service overflows, Greymouth'.
	RC98037/13	Discharge Permit	To intermittently discharge untreated sewage effluent and stormwater from specified Greymouth **CSO outfalls to Tarry Creek**: a) Lombard St Minor Outfall. b) Turumaha St Minor Outfall. c) Tarry Creek Minor Outfall.	4 Jul 2003	35 (but after 6 years shall no longer contain human sewage effluent or trade waste)	2038 (2009)	

Location	Consent #	Type	Activity	Issue Date	Existing consent(s) term (years)	Existing consent(s) expiry date	Where existing consent has expired, understanding of basis for current discharges
	RC98037/14	Discharge Permit	To intermittently discharge untreated sewage effluent and stormwater from the following **CSO outfalls to Blaketown Lagoon**: Lagoon Pipeline Main Overflow.	4 Jul 2003	10	2013	Lawful under s124(3) RMA in respect of application made in December 2012. Refer: **RC12234** 'To discharge to water from main outfalls and service overflows, Greymouth'.
	RC98037/15	Discharge Permit	To intermittently discharge untreated sewage effluent and stormwater from the following **CSO outfalls to Sawyer's Creek**: a) Cowper/Franklin St Main Overflow. b) Cowper/Buccleaugh St Main Overflow. c) Cowper/Scenic land Motels Main Overflow. d) Turumaha St Main Overflow. e) Frickleton St Minor Overflow. f) Heaphy St Main Overflow. g) Winnie St Main Overflow. h) Lydia St Minor Overflow. i) Bridge St Minor Overflow. j) Marsden/Palmerston St Main Overflow. k) Marsden Rd Minor Overflow. l) Marsden Rd Minor Overflow. m) Shakespeare St Minor Overflow.				
	RC98037/16	Discharge Permit	To intermittently discharge untreated sewage effluent and stormwater from the following **CSO outfall to Lake Karoro**: Nelson St Main Overflow				
	RC98037/17	Discharge Permit	To intermittently discharge untreated sewage effluent and stormwater from the following **CSO outfalls to Range Creek**: a) Hall St Main Overflow. b) Richmond St Main Overflow. c) Richmond St South Minor Overflow.				

Location	Consent #	Type	Activity	Issue Date	Existing consent(s) term (years)	Existing consent(s) expiry date	Where existing consent has expired, understanding of basis for current discharges
Moana	RC 85/81 WLD860173	Water Right	Discharge of untreated sewage into Lake Brunner during times of emergency pump shutdown.	25 Aug 1986	20	2006	Lawful under s124(3) RMA in respect of application made in March 2006. Refer: **RC 06054** – Lake Brunner – Moana, Lakeside Pump Station Emergency Discharge.
	RC 85/82 WLD860174	Water Right	Discharge of treated sewage effluent into Arnold River.				Lawful under s124(3) RMA in respect of application made in March 2006. Refer: **RC 06055** – Moana Ponds, Arnold River discharge.
	RC01363/1	Discharge Permit to Land	For the discharge of treated sewage effluent to land where it may enter groundwater via seepage from the Moana Sewage Treatment Plant.	11 Nov 2002	35	2037	
Runanga	RC 85/83 WLD860175	Water Right	Discharge of treated sewage effluent into Seven Mile Creek	18 Feb 1987	20	2007	Lawful under s124(3) RMA in respect of application made in March 2006. Refer: **RC06056/1** – To discharge treated wastewater to Seven Mile Creek. And application made in March 2009. Refer: **RC06056/2** – To discharge contaminants to air from the oxidation ponds.
	RC 85/84 WLD860176	Water Right	Discharge of untreated sewage into Raleigh Creek during times of emergency pump shutdown.	25 Aug 1986	20	2006	Lawful under s124(3) RMA in respect of application made in March 2006. Refer: **RC06057/1** – To discharge wastewater to water from the Somerled Avenue wastewater pump station to Raleigh Creek.
Karoro	RC 85/79 WLD860172	Water Right	Discharge of untreated sewage into Watsons Creek.	25 Aug 1986	20	2006	Lawful under s124(3) RMA in respect of application made in March 2006. Refer: **RC 06052** – Watsons Creek – Karoro, Emergency discharge of untreated sewage to Watsons Creek.
	RC-2014-0008-01	Land Use Consent	To undertake earthworks and maintenance associated with an existing wetland and aeration/oxidation pond to treat sewage effluent and for the establishment and	1 Feb 2018	10	2028	

Location	Consent #	Type	Activity	Issue Date	Existing consent(s) term (years)	Existing consent(s) expiry date	Where existing consent has expired, understanding of basis for current discharges
			extension of a wetland associated with the Karoro Wastewater Treatment Plant.				
	RC-2014-0008-02	Coastal Permit	To maintain, alter, replace or reconstruct two sewage outfall pipelines associated with the Karoro Wastewater Treatment Plant and associated alteration of the foreshore or seabed.				
	RC-2014-0008-03	Coastal Permit	To occupy the Coastal Marine Area with two outfall pipes located in the foreshore and seabed.				
	RC-2014-0008-04	Coastal Permit	To discharge contaminants into the Coastal Marine Area from the Karoro Wastewater Treatment Plant.				
	RC-2014-0008-05	Discharge Permit	To discharge contaminants to land via seepage from the wetland and aeration pond at the Karoro Sewage Treatment Plant.				
	RC-2014-0008-06	Discharge Permit	To discharge contaminants to air, namely odour, from the Karoro Sewage Treatment Plant.				
Iveagh Bay	RC06092	Discharge Permit	To discharge treated domestic sewage effluent to land from a proposed subdivision at Iveagh Bay.	27 Jul 2006	35	2041	
Blackball	RC5127/1	Discharge Permit	To discharge treated sewage effluent from the Blackball Wastewater Treatment Plant to Ford Creek.	23 Jan 2006	35	2041	
	RC5127/2	Discharge Permit	To discharge treated sewage effluent from the Blackball Wastewater Treatment Plant to land in circumstances where it may enter Ford Creek.				
	RC5127/3	Discharge Permit	To discharge contaminants (including odorous gases) to air from the Blackball Wastewater Treatment Plant.				
Greymouth	RC 12125/1	Discharge Permit	To discharge treated sewage wastewater to the Grey River.	8 May 2013	25	2038	
	RC12125/2	Discharge Permit	To discharge contaminants (odour) to air from a wastewater treatment plant.				

Table 7: Consents Associated with Stormwater Service Delivery

Location	Consent #	Type	Activity	Issue date	Existing consent(s) term (years)	Existing consent(s) expiry date	Where existing consent has expired, understanding of basis for current discharges
Greymouth Stage 1 (Stormwater)	RC98037/18	Discharge Permit	To discharge stormwater from the following outfall to the **Grey River (true left bank)**: Mawhera Quay Main Outfall.	4 Jul 2003	35	2038	
	RC98037/19	Discharge Permit	To discharge stormwater from the following outfalls to the **Grey River (true right bank)**: (a) Newcastle/Fox St Major Outfall. (b) Nelson Quay. (c) Nelson Quay at Blackett St. (d) Nelson Quay at Sturge St. (e) Nelson Quay at Newcastle St. (f) Nelson Quay at Taylor St. (g) Nelson Quay east of Taylor St. (h) Nelson Quay at Stafford St. (i) Nelson Quay at Weld St.				
	RC98037/20	Discharge Permit	To discharge stormwater from the following outfall to **Tarry Creek**: William St Major Outfall.				
	RC98037/21	Discharge Permit	To discharge stormwater from the following outfalls to **Victoria Lagoon** (a) Preston Rd (no.1). (b) Preston Rd (no.2). (c) Preston Rd (no.3).				
	RC98037/22	Discharge Permit	To discharge stormwater from the following outfalls to **Blaketown Lagoon (Erua Moana)**: (a) Packers Quay. (b) Reid St. (c) Slipway (no.1). (d) Galo's. (e) Victoria Lagoon (pump station). (f) Slipway (no.2)				
	RC98037/23	Discharge Permit	To discharge stormwater to **Sawyers Creek** from various outfalls. (a) Raleigh St, Blaketown. (b) Raleigh St, Aerodrome. (c) Raleigh St, Lake Karoro.				

Location	Consent #	Type	Activity	Issue date	Existing consent(s) term (years)	Existing consent(s) expiry date	Where existing consent has expired, understanding of basis for current discharges
			(d) Raleigh St. (e) Raleigh St, Cowper St. (f) Swimming Baths. (g) Brunner St. (h) Frickleton St. (i) Franklin St. (j) Shakespeare St west. (k) Shakespeare St east. (l) Dallas Bridge. (m) Buccleaugh St. (n) Marsden Rd. (o) Ida St. (p) Leith Crescent. (q) Josephine St. (r) Chestermans Ck. (s) Old Sawyers Ck channel. (t) Beachwood Court. (u) Marden Park (v) Shakespeare/Winnie				
	RC98037/24	Discharge Permit	To discharge stormwater to **Range Creek** from various outfalls. (a) Monro St. (b) Hall St. (c) Ward St. (d) Richmond St. (e) Fox St. (f) Bright St. (no.1) (g) Bright St (no.2) (h) Dupre (i) Mitchell (j) Barkley (m) Firth (no.1) (n) Firth (no.2) (o) Firth (no.3) (p) McKane				
	RC98037/25	Discharge Permit	To discharge stormwater to **Lake Karoro** from various outfalls.				

Location	Consent #	Type	Activity	Issue date	Existing consent(s) term (years)	Existing consent(s) expiry date	Where existing consent has expired, understanding of basis for current discharges
			(a) Waterwalk Rd. (b) Hospital.				
Cobden	RC00267/1	Discharge Permit	To discharge stormwater from a pumping station in Cobden to the Grey River			3/10/2035	
Cobden	RC00267/2	Land Use Consent	To place and maintain rockworks in the bed of the Grey River at the base of the Cobden pumping station spillway.			3/10/2035	
Greymouth	RC03023	Discharge Consent	Stormwater to Tarry Creek Lagoon				
Runanga	RC04045	Land Use Consent	Willow removal and sediment release, Raleigh creek			22/08/2039	
Cobden	RC08079	Land Use Consent	Channel realignment, Range Creek, Peel Street Area				
Cobden	RCN98193/1	Land Use Consent	For earthworks associated with maintaining a seawall at Cobden.				
Karoro	RC92006	Land Use Consent	Remove sand bar from mouth of Watsons Creek			25/11/2027	
Greymouth	RC98037/11	Discharge Permit	Greymouth Sewerage Scheme			4/07/2038	
Greymouth	RC98037/13	Discharge Permit	Greymouth Sewerage Scheme			4/07/2038	

Expected Impacts of changing standards

The following section outlines the expected impact of changing standards. A review of the GDC AMPs along with the AMPs for Westland and Buller will be re-assessed as part of the implementation plan, with the Councils and WSCCO to develop a combined AMP, with a focus on ensuring that as regulatory standards are confirmed, the overall programme is able to address both current and future regulatory standard expectations. The transition into a WSCCO means that there is sufficient headroom for borrowing that enables the GDC investment requirements to increase and ensure that the GDC network will be compliant. As noted in the combined Risk Register, there may be deliverability constraints across the three districts that need to be managed.

Water Supply

Compliance Issues: The change from the Drinking Water Standards of New Zealand (2018) to the Drinking Water Quality Assurance Rules (DWQAR) in 2022 meant that the Greater Greymouth WTP (known as Coal Creek WTP - which supplies the Greater Greymouth Water Supply) no longer complied with some treatment requirements. The plant draws source water from shallow bores hydraulically linked to the Grey River, which now requires 4 log protozoa removal under the DWQAR. Previous rules allowed 1 log to be credited through 'bank filtration', and 3 log removal using UV disinfection. The regulatory change means the DWQAR no longer recognises bank filtration as a valid log removal method, leaving the plant 1 log short of the required protozoa treatment. GDC's capital programme for the next three years includes a provision to upgrade the Greater Greymouth (years 1-2) and Blackball (by year 3), to add the filtration required for full compliance.

Potential Mitigation: Raw water quality (especially after heavy rain events) may result in not meeting the stricter UV disinfection criteria. The DWQAR now permits UV units to be certified for full 4 credit protozoa removal, which could theoretically restore compliance.

Additional Concerns: The plant does not have multiple barriers to bacterial contamination reducing its overall resilience. Until the plant can provide a higher UV dose it remains vulnerable to operational outages or source raw water changes.

Ongoing compliance expectations from the Taumata Arowai, including acceptable threshold for annual non-compliance, have become more stringent. External pressures such as climate change have further necessitated the installation of pre-treatment systems to ensure Coal Creek WTP remains compliant, resilient and capable of delivering safe water supply. Investigations for this upgrade are scheduled to begin in 2025, with a budget of $8.5M.

The Blackball WTP also no longer complies with the DWQAR and requires filtration to achieve compliance. This upgrade will enhance resilience during adverse weather events.

The addition of fluoride to the Coal Creek WTP has been budgeted for in 2029.

Taumata Arowai's National Environmental Performance Requirements have recently highlighted expectations for leakage and per capita water usage. Council has an ongoing programme to reduce water leakage in line with the 2025 LTP level of service targets. During summer the Coal Creek WTP can be at or near capacity due to the high leakage rates in the network. The first stage of the programme, which is currently in progress, is splitting the GDC networks into smaller zones called District Metered Areas (DMAs). Once that is completed, GDC will be able to more accurately track water leakage to prioritise investment. From year 2, $100k is set aside per year for leak investigation work. The information obtained from this work will be fed into the renewals programme. GDC is about to purchase leak detection equipment and is currently training staff and contractors on how to use it. In parallel, GDC will have one test zone (250 properties) with smart water meters. This will be used as a sample for the broader network. The overall programme is expected to continue for the period of this plan.

Automated system, monitoring and treatment is generally in place across water assets at GDC to meet compliance standard. With the planned upgrade to Coal Creek WTP and network leakage reduction initiatives the main risks of compliance and service continuity are expected to be mitigated.

There is sufficient budget allocated in the capital programme for GDC to address all drinking water compliance issues and boiled water notices.

Wastewater

This WSDP was developed as Taumata Arowai was considering feedback and finalising the proposed National Wastewater Environmental Performance Standards. These standards represent a significant shift in how wastewater will be managed and regulated aiming to standardise and simplify requirements particularly for plants serving fewer than 1,000 people. The table below summarises whether and to what extent GDC's wastewater treatment plants meet current and are expect to meet future discharge standards.

Table 8: Summary of whether and to what extent GDC's WWTP will meet Current/Future Discharged in Relation to Proposed Standards

Plant	Population Used for Flow and Load Estimate	Receiving Water Body *Red = high treatment Orange = medium Green = low*	Small Plant	Consent Expiration Year *Red = expired or expires within next 10 years. Orange = 10 - 15 years Green = 15+*	Comment on Current Discharge in Relation to Proposed Standard	Comment on Potential Future Discharge
Moana	190	River, High Dilution	Yes	2006 (river) 2037 (land)	Current sampling suggests Moana WWTP effluent satisfies the requirements for high dilution river/stream. TSS however may be an issue (note: 5-year median is 26). **Likely scope/work required to meet proposed standard:** - reduction of suspended solids in discharge (possible tertiary filtration, or rock filter outlet in wetland).	RIBS excluded from proposed standards so would need a separate assessment. Assuming soil is slow draining, additional disinfection would be required, trade off between land area required and removal of nitrogen and phosphorous.
Runanga	4,163	River or Stream, Moderate Dilution	No	2007	The WWTP is not meeting the requirements for effluent quality to a moderate dilution river discharge. The median effluent TSS, and 90th percentile ammonia concentrations are too high. There is no BOD sampling results but if effluent quality is typical of waste stabilisation ponds then BOD concentrations are likely also too high. Additionally the dilution is at the lower end of the moderate category and may cross over into the low dilution category if flows to the plant increase, or if the 7-day low flow for the creek is lower than estimated. **Likely scope/work required to meet proposed standard:** - new WWTP, or - pump to Greymouth WWTP.	Very close to low dilution category (50 or less). The requirements for a low dilution river discharge will require significantly more intensive upgrades to meet.
Karoro	2653	Low Energy Coastal	No	2028	An upgrade will likely be required to meet the total nitrogen limits and additional disinfection may also be required to address enterococci concentrations. **Likely scope/work required to meet proposed standard:** - reduction of nitrogen (possibly very difficult to do this with the existing process) + UV disinfection, or - install a long outfall (changes to Open Ocean category), or	Karoro flows may be pumped to Greymouth WWTP in the future.

					- new WWTP, or - pump to Greymouth WWTP.	
Iveagh Bay	261	Land Discharge	Yes	2041	Site assessment needed to determine site class based on risk and site capability category. Likely to be hydraulically limited so nutrients should not be an issue. Unless the irrigation area is categorised as Class 1 (which does not set a limit on *E. Coli*) it is likely that additional disinfection will be required as faecal coliform sampling has returned results which frequently exceed 1,000,000 CFU/100mL. **Likely scope/work required to meet proposed standard:** - addition of UV disinfection.	The loads that the plant is able to support will depend on the available land area for discharge. This will place a cap on growth in connections.
Blackball	300	River, High Dilution	Yes	2041	Blackball WWTP is not affected by the proposed standards in the short term as the current consent does not expire until 2041. However, sampling data suggests that it may already be meeting the requirements for a high dilution river discharge. A full assessment will be needed in future when the current consent approaches expiry. **Likely scope/work required to meet proposed standard:** - none.	Future growth may mean that the WWTP is no longer compliant when it comes time to renew the consent.
Greymouth	7,203	River, High Dilution	No	2038	During normal operation, suspended solids and BOD are unlikely to comply with PWWS, but all other parameters are well under. During BTF flushing period, TSS and BOD expected to be well over the PWWS limits. **Likely scope/work required to meet proposed standard:** - reduction of suspended solids (e.g. secondary clarifier) and associated sludge handling.	Wastewater from other areas, such as Karoro, may in the future be diverted to Greymouth WWTP. This would increase the load on the plant and compliance with the effluent contaminant limits in the proposed standards would become even less likely.

Stormwater

Taumata Arowai are developing new environmental performance standards for stormwater although a timeline has not yet been disclosed. These standards are expected to be more stringent and higher compliance thresholds are likely. This risk is outlined in the Additional Information section.

Current and Future compliance risks:

- The Greymouth CBD primary stormwater system is performing below the expected design standard for 5–10 year annual return periods and below the 50-year event standard for flood protection posing a risk of non-compliance with future environmental protection standards. To start the process of mitigating this, $5m over the next 10 years is allocated for Greymouth CBD capacity improvements.
- Combined Sewer-Stormwater Network: up to 1,010 properties still discharge wastewater into the old, combined sewer/stormwater system. Following over 20 years of significant capital investment into new wastewater only reticulation and treatment systems, GDC's combined sewer/stormwater system is being transferred to the stormwater asset base. Wastewater only reticulation has been installed in the Cobden, Greymouth and Blaketown areas, with several small service areas still on the combined system. GDC is working with the West Coast Regional Council (WCRC) and local iwi to address this through a proposed 10-year consent (around 150 properties each year will need to be separated to ensure the target of separation is achieved).
- A significant backlog of ~$27.6M in renewals mean assets are past their useful life, increasing the risk of system/network failure and possibly environmental breaches.
- The impacts of climate change resulting in increased rainfall intensity and sea level rise are expected to impact existing SW (and WW) systems, reducing levels of service and increasing the likelihood of non-compliance with future performance standards.

Capital expenditure required to deliver water services and ensure that water services comply with regulatory requirements

The capital expenditure for each of the three waters, split by demand, levels of service and renewals is provided in the table below.

Projected investment in water services	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Drinking Water										
Capital expenditure - to meet additional demand	-	-	-	2,107	-	-	-	-	-	-
Capital expenditure - to improve levels of services	842	3,225	6,723	2,729	2,679	1,196	1,668	3,642	2,492	166
Capital expenditure - to replace existing assets	1,259	1,832	1,983	2,286	2,772	3,359	3,890	3,975	4,055	4,134
Total projected investment for drinking water	**2,101**	**5,057**	**8,706**	**7,122**	**5,451**	**4,555**	**5,558**	**7,617**	**6,547**	**4,300**

Wastewater										
Capital expenditure - to meet additional demand	-	2,300	1,062	35	36	823	-	-	-	-
Capital expenditure - to improve levels of services	818	433	5,249	1,271	340	840	521	303	309	315
Capital expenditure - to replace existing assets	440	1,482	1,300	1,362	1,316	1,625	1,666	1,708	1,743	1,779
Total projected investment for wastewater	**1,258**	**4,215**	**7,611**	**2,668**	**1,692**	**3,288**	**2,187**	**2,011**	**2,052**	**2,094**
Stormwater										
Capital expenditure - to meet additional demand	-	-	-	300	-	-	-	-	-	-
Capital expenditure - to improve levels of services	277	825	1,326	1,999	2,407	905	1,833	942	1,907	2,002
Capital expenditure - to replace existing assets	1,062	1,135	1,336	1,572	1,993	2,582	3,264	3,331	3,398	3,463
Total projected investment for stormwater	**1,339**	**1,960**	**2,662**	**3,871**	**4,400**	**3,487**	**5,097**	**4,273**	**5,305**	**5,465**
Total projected investment in water services	**4,698**	**11,232**	**18,979**	**13,661**	**11,543**	**11,330**	**12,842**	**13,901**	**13,904**	**11,859**

Historic delivery against planned investment

Planned and actual spend against budget for the last five years by GDC is provided in the following table. As outlined in each year's Annual Report, significant differences between planned and actual are due primarily to construction delays with substantial impacts after lockdowns and restrictions during COVID-19 with planned works moving into subsequent years.

The implementation plan includes an early focus on the overall capital investment requirements for each of the districts focusing on financial sustainability and deliverability. A key establishment principle is for each of the Councils to ensure they deliver on the capital programmes outlined in each Long-Term Plan until transition and a Project Management Office will be established early to support a smooth transition and provide confidence to contractors. Given the remote location of the West Coast region and the size of the overall programme in comparison to larger centres across the country, deliverability is noted as a key risk due to contractor, consultant and materials constraints.

Delivery against planned investment	Renewals investment for water services						Total investment in water services					
	FY 23/24	FY 22/23	FY 21/22	FY 20/21	FY 19/20	Total	FY 23/24	FY 22/23	FY 21/22	FY 20/21	FY 19/20	Total
Total planned investment (set in the relevant LTP)	4,132	2,451	7,083	4,731	2,162	20,559	4,596	2,984	9,018	7,987	3,635	28,220
Total actual investment	3,099	3,766	2,791	1,315	858	11,829	3,334	4,211	3,144	4,398	1,390	16,447
Delivery against planned investment (%)	**75%**	**154%**	**39%**	**28%**	**40%**	**58%**	**73%**	**141%**	**35%**	**55%**	**38%**	**58%**

Significant capital projects

As outlined in the Activity Management Plans for each of the three waters, a list of significant projects with anticipated spend until 2034 is provided below.

Significant capital projects – drinking water	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Projects to improve levels of services	**Annual Plan $000**	**Year 1 $000**	**Year 2 $000**	**Year 3 $000**	**Year 4 $000**	**Year 5 $000**	**Year 6 $000**	**Year 7 $000**	**Year 8 $000**	**Year 9 $000**
Greater Greymouth WTP Upgrade	200	3,000	5,300	200	-	-	-	-	-	-
Cobden Reservoir Construction	-	-	-	2,000	-	-	-	-	-	-
Puketahi Street Reservoir	375	-	500	2,250	2,250	-	-	-	-	-
Smart Flow Meters	78	100	100	-	-	-	1,000	1,000	2,000	-
New Rapahoe reservoir construction	-	-	-	-	-	-	100	2,000	-	-
Water Supplies - General - Leak Reduction Investigation	100	-	100	100	100	100	100	100	100	100
Greater Greymouth Implementation of Fluoridation at the WTP Plant	-	-	-	-	-	950	-	-	-	-
Blackball WTP Upgrade	-	55	500	-	-	-	-	-	-	-
WS General - SCADA software	40	40	40	40	40	40	40	40	40	40
Water Supplies - Greymouth Cobden Bridge Resilience Contribution	-	-	-	-	-	-	200	-	-	-
Omoto Reservoir Decommissioning	-	-	-	-	100	-	-	-	-	-
Greater Greymouth Water Supply - New Source Water Investigation	-	-	-	-	-	-	50	50	-	-
Greater Greymouth WTP Ground Water Monitoring Bores at Taylorville Resource Park	-	30	-	-	-	-	-	-	-	-

Total investment to meet additional demand	**793**	**3,225**	**6,540**	**4,590**	**2,490**	**1,090**	**1,490**	**3,190**	**2,140**	**140**
Projects to replace existing assets										
Pumps and reticulation - Replacement/Renewal	-	1,357	1,000	1,235	2,230	3,061	3,475	3,482	3,482	3,484
Pumps and reticulation - Replacement/Renewal Loan Funded	-	475	929	934	347	-	-	-	-	-
Total investment to replace existing assets	**-**	**1,832**	**1,929**	**2,169**	**2,577**	**3,061**	**3,475**	**3,482**	**3,482**	**3,484**
Total investment in drinking water assets	**793**	**5,057**	**8,469**	**6,759**	**5,067**	**4,151**	**4,965**	**6,672**	**5,622**	**3,624**

Significant capital projects – wastewater	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Projects to improve levels of services		**Year 1 $000**	**Year 2 $000**	**Year 3 $000**	**Year 4 $000**	**Year 5 $000**	**Year 6 $000**	**Year 7 $000**	**Year 8 $000**	**Year 9 $000**
Karoro/South Beach/Paroa Wastewater Redirection to GGWWTP		393	4,943	193	-	-	-	-	-	-
UV Treatment Plant Upgrade		2,300	1,000	-	-	750	-	-	-	-
Moana WWTP Treatment Upgrade		-	100	950	-	-	-	-	-	-
Runanga WWTP Treatment Upgrade		-	-	-	50	500	-	-	-	-
Scada		40	40	40	40	40	40	40	40	40
Blackball Scheme Construction		-	33	33	33	-	-	-	-	-
Cobden Bridge Resilience Contribution		-	-	-	-	-	200	-	-	-
Total investment to meet improve levels of services		**2,733**	**6,116**	**1216**	**123**	**1290**	**240**	**40**	**40**	**40**
Projects to replace existing assets										
Pumps and reticulation - Replacement/Renewal		1,232	1,265	1,271	1,223	1,481	1,489	1,496	1,496	1,499
Miscellaneous/Pipes/plant equipment		-	23	23	226	226	226	226	226	226
Maintain UV Plant		250	-	-	-	-	-	-	-	-
Total investment to replace existing assets		**1,482**	**1,288**	**1,294**	**1,449**	**1,707**	**1,715**	**1,722**	**1,722**	**1,725**
Total investment in wastewater assets		**4,215**	**7,404**	**2,510**	**1,572**	**2,997**	**1,955**	**1,762**	**1,762**	**1,765**

Significant capital projects – stormwater	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Projects to improve levels of services		**Year 1 $000**	**Year 2 $000**	**Year 3 $000**	**Year 4 $000**	**Year 5 $000**	**Year 6 $000**	**Year 7 $000**	**Year 8 $000**	**Year 9 $000**
Greymouth CBD capacity		575	575	575	575	575	575	575	575	575
New Culverts		-	90	773	863	-	863	-	863	863
Upgrade Pipe size		200	200	200	200	200	200	200	200	200
Stormwater Upgrade - Shakespeare Street		-	400	-	-	-	-	-	-	-
Lower Cobden Retention Basin		-	-	285	-	-	-	-	-	-
Panthers Creek mitigation		-	-	50	600	-	-	-	-	-
Moa Street Stormwater Improvements		-	25	250	-	-	-	-	-	-
Network modelling		-	-	50	-	50	-	50	-	50
Tasman Street improvements		50	-	-	-	-	-	-	-	-
Total investment to improve LoS		**825**	**1,290**	**2,183**	**2,238**	**825**	**1,638**	**825**	**1,638**	**1,688**

Projects to replace existing assets		Year 1 $000	Year 2 $000	Year 3 $000	Year 4 $000	Year 5 $000	Year 6 $000	Year 7 $000	Year 8 $000	Year 9 $000
Deferred renewals backlog Rates Funded		1,113	1,278	1,469	1,831	2,331	2,894	2,896	2,896	2,896
Deferred Renewals Pumps		22	22	22	22	22	22	22	22	22
Total investment to replace existing assets		**1,135**	**1,300**	**1,491**	**1,853**	**2,353**	**2,916**	**2,918**	**2,918**	**2,918**
Total investment in stormwater assets		**1,960**	**2,590**	**3,674**	**4,091**	**3,178**	**4,554**	**3,743**	**4,556**	**4,606**

Risks and assumptions

A list of significant risks from a WSCCO perspective is provided as a combined list in Water Services Delivery Plan – Additional Information. The following table outlines specific risks for each of the three waters as outlined in the Activity Management Plans for drinking water, wastewater and stormwater.

Drinking supply	Wastewater	Stormwater
• **Network performance** - aging infrastructure, high leakage rates deferred renewals and reservoir challenges. The target of 40% leakage is expected to be met with sustained leak detection and repair/pipe renewals. Metering is needed to reduce private leaks. Changes to bylaws may be required and these need to be aligned with Westland and Buller to develop one West Coast bylaw. • **Regulatory compliance** - increasingly stringent rules, challenges meeting bacterial and protozoa compliance across all zones. Both currently operating WTPs require upgrades to fully comply with the DWQAR. TA's expectations are that full compliance will be achieved by 2028. • **Delivery of Capital Programme** - significant budgets identified for upgrades at the WTPs in the next 4 years. These upgrades are required as the same time as upgrades identified at BDC and WDC, and wider a field at other NZ water suppliers. This could mean that the availability of specialist to carry out the work could be limited which generally also means that the costs could become higher. • **Organisational capacity** - limited technical expertise and staff to manage technical treatment and compliance requirements. Difficulty in attracting and retaining qualified staff on the West Coast. • **Long term issues** - Climate change affects source water reliability and quality especially during droughts or heavy rainfall. Need for long term investment in resilient infrastructure and alternative water sources.	• **Network performance** - aging infrastructure, especially in Runanga and Greymouth and limited capacity in combined systems may result in overflows and service failure. • **Regulatory compliance** - expired consents operating under a s124, and anticipated National Wastewater Environmental Performance Standards, require upgrades and consent renewals. • **Delivery of Capital Programme**- significant capital works projects, 29-year backlog of deferred renewals as well as limited internal capacity may delay programme delivery with an increased risk of asset failures. • **Organisational capacity** - staffing shortages & reliance on contractors (e.g. West Roads) may impede asset management and delivery. • **Long term issues -** Population growth expected to be slow. Climate change impacts will be addressed progressively through asset renewals and resilience upgrades and managed retreat implemented over time in vulnerable coastal areas.	• **Network performance** - aging infrastructure and limited capacity in key areas like Greymouth CBD may result in flooding and service failure. • **Regulatory compliance -** sewer separation requirements and anticipate standards. • **Delivery of Capital Programme -** $27.6m backlog of deferred renewals and limited internal capacity may delay upgrades. • **Organisational capacity** – staffing shortages and contractors' reliance may impede asset management and delivery • **Long term issues** - Population growth expected to be slow, with limited demand for new SW infrastructure. Climate change impacts will be addressed progressively through asset renewals and resilience upgrades and managed retreat implemented over time in vulnerable coastal areas.

Key assumptions

- **Network performance** – The aging WS network is expected to remain functional. The current AMPs have a targeted 29-year renewals programme, addressing deferred renewals and improving resilience. As the WSCCO AMP is developed, the length of the renewals programme will be reviewed with the potential to reduce the length of the programme. Reactive maintenance will continue to manage operational risks and maintain service levels.
- **Regulatory compliance** – Assumes continued and evolving compliance with Taumata Arowai's DWQARs. GDC will meet regulatory expectations through staged upgrades to WTPs and improved monitoring and reporting systems as outlined in the capital programme for GDC.
- **Delivery of Capital Programme** – Assumes sufficient internal and external capacity with the transition to the WSCCO, including contractor support, to deliver the $28.3M capital programme. Risks include market competitiveness, cost escalation, and staff recruitment challenges.
- **Organisational capacity** – GDC is expanding the Utilities & Infrastructure team, reduce reliance on contractors, and manage WS alongside WW and SW. Whilst the team works across infrastructure, not just three waters, the transition to the WSCCO will ensure that the same capacity is transferred. Performance-based contracts and improved asset data (GIS and asset related data) will support efficient delivery.
- **Long term issues** – Assumes flat or low population growth with limited demand for new WS infrastructure. Climate change impacts (e.g., drought, water quality risks) will be progressively addressed through renewals, resilience upgrades, and adaptive planning.

Part B: Network performance

Westland District Council

Part B: Network performance

Investment to meet levels of service, regulatory standards and growth needs

Investment required in water services

Serviced population

Population information for the Westland District Council has been sourced from Infometrics (2023). Total connections are split by each of the three waters, using actuals for year 1 and 0.5% growth projection for all subsequent years.

Projected serviced population	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Population	8,901	8946	8990	9035	9080	9126	9171	9217	9263	9310
Total connections Water	2,987	3002	3017	3032	3047	3062	3078	3093	3109	3124
Total connections Wastewater	4,418	4440	4462	4485	4507	4530	4552	4575	4598	4621
Total connections Stormwater	2,010	2020	2030	2040	2051	2061	2071	2081	2092	2102

Assumptions:

- Growth projections based on an average annual population change of 0.5% over the ten-year period of this plan.
- Connection numbers include residential and non-residential.
- Connection numbers include factor additions.
- Stormwater services are charged across the stormwater catchments, which is only in the Hokitika township.
- Population information for the Westland District Council is sourced from Infometrics (2023).

Serviced areas

Levels of Service

Four objectives have been established for the three waters activity to align with community expectations and regulatory requirements. These objectives are:

- The community is provided with three waters services to a standard that protects their health and property.
- Issues with water services are addressed in a timely manner and prioritised according to risk and need.
- Disruptive effects of water services are minimised.
- Adverse effect of water services on the environment are minimised.

The objectives are applied to the activity to ensure there is correct focus of resources and to ensure that a high level of service is delivered.

The current levels of service and performance relating to water supply services are the mandatory KPIs set by DIA. Council measures these KPIs in several ways, depending on the requirement. Whilst some KPIs have been previously not measured or reported, Council is in the process of implementing and updating systems to allow them to gather relevant information and report on the current KPIs more accurately. Council does not have additional self-imposed KPI's in the three waters space.

The Westland District is one of the most remote areas in the country and consists of a long narrow strip of land located between the Tasman Sea and the Main Divide of the Southern Alps. It stretches 400 kilometres from the Taramakau River in the north to Barn Bay in the south. At the widest point, the distance between the coast and mountains is just 50 kilometres. The land area is approximately 1.2 million hectares with Conservation Estate accounting for over 80% of this. The district is sparsely populated with a large geographic spread of people from Otira to Jackson Bay. Hokitika is the most populus centre, with approximately 32% of the district's population.

WDC supplies nine communities with drinking water and has 2,735 serviced properties across the district (Kumara, Arahura, Hokitika, Ross, Harihari, Whataroa, Franz Josef Glacier, Fox Glacier and Haast). Westland District Council also owns and manages four wastewater schemes within the district (Hokitika; Franz Josef; Fox Glacier; and Haast) with 2,122 serviced properties. The rest of the district is self-sufficient in terms of the wastewater disposal. Septic tank contents are also disposed in one of the four wastewater treatment plants by septage removal contractors. Currently Hokitika is the only township with a purpose-built stormwater reticulation system (servicing 556 properties) while other townships are less developed and are mostly road drainage.

Water supply:

The Council's safety of drinking water measure has been assessed against the requirements of the New Zealand Drinking Water Standards 2005 - Revised 2018 (DWS). These standards were withdrawn on 14 November 2022 and replaced with the Drinking Water Quality Assurance Rules 2022 (DWQAR). The Council assesses its safety of drinking water against the DWQAR along with the National Environmental Performance Measures.

For compliance with Level 3 (Hokitika, Franz Josef and Fox Glacier WTPs) under the Drinking Water Quality Assurance Rules (DWQAR's), treatment plants are required to provide proof that certain parameters have been monitored in accordance with the Rules along with having appropriate protozoal barriers in place. Council has implemented a compliance data tool to meet the DWQAR section of reporting throughout all the water treatment plants.

Aging infrastructure across the district is reflected in budgeting for renewals and upgrades. While population growth is not high, tourism and visitor numbers (particularly with seasonal fluctuations) puts pressure on existing infrastructure and funding arrangements.

Approximately 80% of the average daily volume of treated water produced by the Hokitika WTP is consumed by Westland Milk Products, which is a major contributor to the Gross Domestic Product (GDP) of the district. Westland Milk Products have a dedicated supply pipeline and on-site storage reservoirs to ensure sufficient water is available.

There are currently no capacity issues with Council's water treatment plants as most have been recently upgraded for compliance with the DWQAR's. The Three Waters Stimulus Funding allowed Council to complete construction of an additional reservoir at Hokitika and replacement reservoirs (with additional capacity) at Franz Josef and Harihari. Council's e-TXT system allows staff to send text messages to consumers to alert of the water conservation status at times of high demand or water shortage. This will assist with Council's current demand management strategies including, metering commercial and extraordinary consumers' properties, advertising need for water conservation at times of high demand or water shortage, and maintaining a close working relationship with Westland Milk Products Ltd on their water use, particularly at times when demand exceeds supply.

Wastewater:

With the Hokitika WWTP resource consent due to expire in 2026, the main focus in the three waters area has been on planning for the renewal of this treatment plant. Recent events and consultant work have also raised the possibility of having to relocate the Franz Josef WWTP due to potential flood hazard before the consent renewal date of 2034. With the resource consents at Haast and Fox Glacier due to expire in the next ten years, initial investigation projects in year 3 will form a better understanding of financial costs and timelines before the consents expire. On going improvement around the condition of assets is required to prioritize CAPEX projects efficiently.

The industry type determines the composition and amount of trade waste that enters the network. For example, trade waste associated with meat processing at the Silver Ferns Farms factory on the northern entranceway of Hokitika has a significant effect on the biological loading of the Hokitika Wastewater Treatment Plant. WDC currently has a Trade Waste agreement with Silver Fern Farms, along with a basic fee agreement with septage disposal companies.

The wastewater treatment system is operated within resource consent requirements. Council currently has no abatement or infringement notices, no enforcement orders or convictions for wastewater.

Extensive CCTV work was undertaken in 2022 (with additional minor CCTV on the wastewater network in 2024) on the district's wastewater network. Approximately 80% of the wastewater network has had some form of CCTV footage undertaken on it. Due to a lack of resources in house to review the footage and prioritise areas requiring cleaning and / or replacement, 90% of the condition rating is still based on age and useful life left of the asset. In 2024, the CCTV company offered an AI priority rating web-based tool to assist with programming of works. Subsequent reviews of this tool have seen several anomalies, which are in the process of being resolved, before the programme can be relied upon with certainty.

Future major upgrades of infrastructure need to consider climate change and the effects on that particular infrastructure i.e. the possibility of a new location for the Hokitika WWTP away from coastal erosion zone, or mitigation. Demographic changes such as an increase in population impacts the demand for wastewater services. More people create a higher volume of wastewater to treat. The geographic spread of population and residential growth can also necessitate wastewater boundary extensions to minimise the environmental impacts of too many septic tank systems in a concentrated area.

Westland District is a popular tourist destination, and numbers have been steadily increasing over time to equal numbers that the district saw pre COVID-19. As a result, there is increased seasonal demand for our wastewater schemes, most prominently Franz Josef and Fox Glacier followed by Hokitika. Population growth within the district is expected to be minimal, therefore there have only been minor upgrades as increased permanent resident demand on wastewater infrastructure is not anticipated. The upgrades to the four WWTPs are currently compliance driven; however, capacity will be increased by the upgrades to account for non-residential inputs.

Stormwater:

The Three Water Stimulus funding allowed approximately 40% of the known reticulation (20% Hokitika, 20% Franz Josef) to be CCTV surveyed. The footage has shown that, of the reticulation surveyed, there is excessive debris build up in the majority of the reticulated network (60%), which will require additional maintenance. The remainder of the reticulation requires CCTV surveying to allow for more accurate prioritisation of maintenance and upgrades.

The District Plan is the legal framework that Council uses for land use planning. The management of imperviousness areas is promoted along with appropriate stormwater management. It contains provisions

governing stormwater and flood protection management, including implementing planning controls to limit future development in known problem areas that are too costly to solve.

Council's response to climate change includes building knowledge based on latest thinking nationally and participating in forums where appropriate. Council will continue to monitor trends in wet weather overflows as these may increase with more intense and frequent storms.

Climate change directly impacts the stormwater activity in the following ways:

- More frequent and intense rainfall events which the primary stormwater network may not be able to cope with.
- Flooding may occur when high rainfall coincides with high tide levels and outlets are blocked.
- To identify future stormwater demands, Council uses the following tools:
    - LiDAR data from West Coast Regional Council, when available.
    - Records of flooding events.

There is a need to develop a Catchment Management Plans to assist Council in identifying integrated solutions and manage competing needs.

Serviced areas (by reticulated network)	Water supply # schemes	Wastewater #schemes	Stormwater # catchments
Residential areas	Kumara = 152 connections Arahura = 24 connections Hokitika = 1,682 connections Ross = 136 connections Haast = 59 connections Harihari = 103 connections Whataroa = 48 connections Franz Josef Glacier = 48 connections Fox Glacier = 65 connections	Hokitika = 1,650 connections Franz Josef Glacier = 62 connections Fox Glacier = 57 connections Haast = 67 connections	Hokitika
Non-residential areas (If more than one identify separately)	Kumara = 8 connections Hokitika = 234 connections Ross = 13 connections Haast = 59 connections Harihari = 17 connections Whataroa = 14 connections Franz Josef Glacier = 62 connections Fox Glacier = 53 connections	Hokitika = 187 connections Franz Josef Glacier = 50 connections Fox Glacier = 36 connections Haast = 13 connections	Hokitika
Mixed-Use rural drinking water schemes (where these schemes are not part of the council's water services network)	n/a	n/a	n/a
Areas that do not receive water services (If more than one identify separately)	All remaining towns within the Westland District do not receive water services.	All remaining towns within the Westland District do not receive water services.	All remaining towns within the Westland District do not receive water services.
Proposed growth areas • Planned (as identified in district plan) • Infrastructure enabled (as identified and funded in LTP)	n/a	n/a	n/a

Assessment of the current condition and lifespan of the water services network

The condition ratings of assets that are recorded in the asset information system are based on age and are not a physical site assessment. CCTV assessments have been initiated and as outlined above, WDC is waiting for the assessment of the CCTV data. Asset condition data is updated in the asset management system annually. Good industry practice is to survey asset condition every three to five years. Recent updates to the asset database have improved the plant data information; however, the majority of the condition rating is still age-based.

Water supply:

The average age of Council owned water supply pipes within the district networks is estimated to be 31 years old, with 67% of water supply plant assets being assessed as in either good or excellent condition. 21% of the water supply plant assets are in average condition and the remaining 12% are in poor or very poor condition. 83% of water supply line assets are assessed as in either good or excellent condition, 6% of the water supply line assets are in average condition and the remaining 11% are in poor or very poor condition. 72% of water supply point assets are assessed as in either good or excellent condition, 14% of the water supply point assets are in average condition and the remaining 14% are in poor or very poor condition.

Critical assets in the water supply network are generally in average to good condition and include major water mains (>300 mm diameter), water treatments plants, raw water inlets and associated piping, and bore pumps.

Wastewater:

The average age of Council owned wastewater supply pipes within the district is estimated to be 38 years old, with 48% of wastewater plant assets being assessed as in either good or excellent condition. 22% of the wastewater plant assets are in average condition and the remaining 32% are in poor or very poor condition. 50% of wastewater line assets are assessed as in either good or excellent condition, 3% of the wastewater line assets are assessed as in average condition, 24% are in poor condition and the remaining 24% are in very poor condition.

Critical assets in the wastewater network include wastewater mains directly feeding the ponds, treatment plants, treated water discharge outlets, and pump stations.

Stormwater:

The average age of Council owned stormwater supply pipes within the district is estimated to be 44 years old, with 52% of stormwater plant assets assessed as in either good or excellent condition, 29% of the stormwater plant assets in average condition and the remaining 18% are in poor or very poor condition. 2 % of stormwater line assets are assessed as in either good or excellent condition and 77% in average condition. 59% of stormwater point assets are assessed as in either good or excellent condition and 41% in average condition.

Critical assets in the stormwater network include stormwater mains (>900 mm diameter), outlets (>900 mm diameter), and pump stations.

Parameters	Drinking supply	Wastewater	Stormwater
Average age of Network Assets	30.8 years (reticulation), 19.4 years (point), 7.9 years (plant)	37.8 years (reticulation), 38 years (point), 17.1 years (plant)	44.4 years (reticulation), 37.9 years (point), 17.1 years (plant)
Critical Assets	Identified: Water mains (>300 mm): Water treatment plants (WTP): - Kumara WTP - Arahura WTP - Hokitika WTP - Ross WTP - Haast WTP - Harihari WTP - Franz Josef Glacier WTP - Fox Glacier WTP Raw water inlets: - Lake Kaniere - Hokitika River - Kumara Spring - Arahura Bore - Jones Creek - Harihari Bore - Whataroa Bore - Unnamed Creek, Franz Josef - Carter Creek - Haast Bore Bore pumps: - Arahura bore pump - Harihari bore pump - Whataroa bore pump - Haast bore pump	Identified: Wastewater mains Wastewater treatment plants (WWTP): - Hokitika WWTP - Franz Josef Glacier WWTP - Fox Glacier WWTP - Haast WWTP Treated wastewater discharge outlets Pump stations (10)	Identified: Stormwater mains (>900 mm) Outlets (>900 mm) Pump stations: - Hoffman Street - Jollie Street - Rolleston Street - Bealey Street - Sewell Street - Tancred Street

Above ground assets • Treatment plant/s • Percentage or number of above ground assets with a condition rating • Percentage of above – ground assets in poor or very poor condition	 9 100% 8%	 4 100% 22%	 0 100% 17%
Below ground assets • Total Km of reticulation • Percentage of network with condition grading • Percentage of network in poor or very poor condition	 134 km (excluding 26.8km of service laterals) 100% 10%	 52 km (excluding 23km of service laterals) 100% 59%	 46 km (excluding 3.6km of service laterals) 100% 0.1%

Asset Management approach

There are currently limited finances available for improvements in the non-physical area of three waters i.e. system improvements and resourcing, which is expected to be addressed during transition or by the WSCCO. While asset renewal projects continue where finances allow, the focus in the three waters asset management area, where practical, are as follows:

- Asset condition – Verify the asset conditions of the already surveyed reticulation. Implement regular condition assessments and asset inspection programmes for non-critical assets.
- Asset condition – Verify and update above ground assets and condition rate accordingly.
- Data quality – Monitor and report on data accuracy and completeness to assess improvements and bed in good practices.
- Renewal planning – Develop consistent methodology for renewal programme based on analysis of break histories, condition and considering criticality, material type, resilience and other factors, to be consistent with good industry practice.
- Quality management – Undertake the various quality management improvements to strengthen the underlying processes for the activity.

There is a current *Asset Management Policy (2024)* which details the approach taken by WDC for asset management and asset management planning. WDC is also focused on regulatory compliance and the requirements of the Resource Management Act (RMA) and the Local Water Done Well (LWDW) legislation. The current AMPs identify the asset management approach being used by Westland District Council include the following:

Capital programmes:

Asset age, condition and performance is the primary consideration for determining asset end of life cycles driving the asset replacement programme. The asset criticality level is also considered when deciding which assets are a higher priority for replacement. Assets are considered to need replacement when: a) health and safety concerns b) they near the end of their effective useful life c) cost of maintenance becomes uneconomic and it would cost less to renew the asset than keep maintaining d) risk of failure of critical assets is unacceptable. Council's current renewal strategy is based on: a) asset failures b) undersized reticulation c) improving network resilience (LOS driven) d) operational knowledge based on Inhouse staff and contractor feedback.

WDC wishes to move to a risk-based renewal programme based on analysis of repair histories and taking into account criticality, material type, condition, resilience and other factors, to be consistent with good industry practice. Council is in the process of making a stepped change from ad-hoc to proactive renewals and is continuing to improve its asset data practices allowing for better information to drive the renewals forecasts. The condition assessment programme outlined above is a key aspect of the drive to improve timely renewals. This new approach requires internal capability and better information to make decisions. It is recognised that this step up in maturity will take time and additional resources.

Operational and maintenance programmes:

- The operation and maintenance of the drinking water, wastewater and stormwater networks is part of the Westland District Utilities (three waters) Maintenance Contract. The current maintenance contract was awarded to Westroads Hokitika Limited in 2022.
- Council's maintenance contractor provides a 24/7 service which covers the operation and maintenance of the three waters network including treatment plants and reticulation. Treatment plants are operated by Council's maintenance contractor. All treatment plants are essentially un-manned, but all nine Water Treatment Plants can be monitored remotely via SCADA/Telemetry.

Further work is required to have this remote access to wastewater and stormwater facilities. Both Contractors and Council Engineers have access to this. The plants are visited regularly throughout the week to ensure correct operation. Water sampling is carried out to achieve compliance with the DQWAR, and wastewater and stormwater sampling to meet the resource consent requirements. Preventive maintenance checks include operating generators and standby equipment. Council's contractor also undertakes water meter reading.

Statement of regulatory compliance

Current consents held by Westland District Council for water supply include the following:

Raw water takes (significant takes):

- Lake Kaniere (RC11033) = 12,100 m^3/day (combined take with Hokitika River), expires 29 September 2046.
- Hokitika River (RC2015-0077-03) = 12,100 m^3/day (combined take with Lake Kaniere), expires 15 July 2050.
- Kumara Spring (RC10159/1) = 130 m^3/day, expires 23 August 2045.
- Arahura Bore (RC-2019-0046) = No maximum daily or annual take, expires 2 September 2054.
- Jones Creek (RC00359/1) = No maximum daily or annual take, expires 30 January 2036.
- Harihari Bore (RC06273/1) = No maximum daily or annual take, expires 22 March 2042.
- Whataroa Bore (RC03068/1) = No maximum daily or annual take, expires 22 August 2038.
- Unnamed Creek, Franz Josef (RC00390/1) = 200 m^3/day, expires 21 September 2036.
- Carter Creek (RC-2019-0045) = 750 m^3/day, expires 1 November 2054.
- Haast Bore (RC01164/1) = No maximum daily or annual take, expires 21 August 2036.

Discharge to water/land:

- RC00391/2, discharge to water, expires 22 March 2036.
- RC03076/1, discharge to land, expires 6 May 2038.
- RC11031, discharge to water, expires 16 September 2046.

All current water takes and supplies comply with current regulatory requirements. Sufficient budget has been allocated to continue to meet current requirements and maintain water supply standards.

Current consents held by Westland District Council for wastewater include the following:

Discharge to air/land/water:

- RC-2015-0141-02, discharge to air, expires 7 August 2026.
- RC-2018-0068-03, discharge to air, expires 21 January 2034.
- RC-2019-0041-01, discharge to air, expired 20 June 2022, needs to be surrendered.
- RC-00388-03, discharge to air, expires 21 September 2036.
- RC-00389-03, discharge to air, expires 21 September 2036.

- RC-2018-0068-02, discharge to land, expires 21 January 2034.
- RC-00388-01, discharge to land, expires 21 September 2036.
- RC-00389-01, discharge to air, expires 21 September 2036.
- RC-00388-02, discharge to water, expires 21 September 2036.
- RC-00389-02, discharge to water, expires 21 September 2036.

Land-use consents:

- RC-2018-0068-01, expires 21 January 2034.
- RC-2015-0146, expires 1 March 2037.

Coastal permits:

- RC06154, expires 7 August 2026.
- RC-2015-0141-01, expires 7 August 2026.

Current consents held by Westland District Council for stormwater include the following:

Discharge to water:

- RC11027, discharge to water, expires 1 June 2046

Land use consent:

RC02069, Maintain stormwater channel. Expires 16 July 2037

Parameters	Drinking supply schemes	Wastewater schemes	Stormwater Schemes/catchments
Drinking water supply		n/a	n/a
• Bacterial compliance (E.coli)	Yes		
• Protozoa compliance	Yes		
• Chemical compliance	Yes		
• Boiling water notices in place	9 (in the last three years)		
• Fluoridation	Not applicable		
• Median residential water consumption	523.8 l/person/day		
• Water restrictions in place (last 3 years)	Yes – 1 for Haast January 2025		
• Firefighting sufficient	Yes		
Resource Management			
• Significant consents (note if consent is expired and operating on S124)	Water supply take = 10 Water discharge = 3	Wastewater discharge water/land/air = 10 Coastal permits = 2	Stormwater discharge water/land use = 2
• Expire in the next 10 years	0	5	0
• Non-compliance:			
• Significant risk non-compliance	0	0	0
• Moderate risk non-compliance	0	0	0
• Low risk non-compliance	10 (water takes only)	0	0
• Active resource consent applications	0	0	0
• Compliance actions (last 24 months):			
• Warning	0	0	0
• Abatement notice	0	0	0
• Infringement notice	0	0	0
• Enforcement order	0	0	0
• Convictions	0	0	0

WDC is currently fully compliant and has a programme of work as outlined in the next section that ensures compliance is maintained. The transition to a WSCCO will support WDC's regulatory requirements with additional head-room available in case, as the compliance expectations are finalised, the costs for consenting increases.

Capital expenditure required to deliver water services and ensure that water services comply with regulatory requirements

Council's projected investments are primarily focused on improving levels of service and undertaking renewals. While growth is considered during project scoping, it is not a primary driver due to the district's anticipated lack of significant growth over the next 10 years. The transition into the WSCCO, with additional headroom in case investment needs increase, ensures that on-going compliance is maintained.

Water Supply

Key projects to improve levels of service include the following:

- Reconfigure to stop Cl2 short cutting
- Kaniere Booster Pump for FH's
- Whitcombe Terrace Booster

The above projects are considered low criticality but are key in meeting existing and proposed water supply levels of service and enabling the operation of the network.

High criticality projects for renewals include the following:

- Blue Spur Chlorination Building Upgrade
- SCADA System Replacement
- Hokitika Main Feed Line Replacement
- Replacement of Membranes (Blue Spur)
- Replacement of WTP Components

Medium criticality projects for renewals include the following:

- Treated Water Reservoirs (Blue Spur)
- Reticulation Upgrades
- Options Report and Investigations for Reservoirs
- Water Meter Replacement

The renewals required both at WTPs and within the water supply network are linked to high criticality assets. Maintaining functionality of these assets is key in both maintaining levels of service and achieving water quality compliance. The renewal of these assets also allows Council to think about upgrades to the assets to account for growth.

Wastewater

The primary project linked to levels of service is the WWTP & Pump Station SCADA system, this involves the phasing out of current units to be replaced by new ones and is considered high criticality. This project will ensure operations have network insights to allow for responsiveness to WWTP and network issues, improving levels of service to the community.

High criticality projects for renewals include the following:

- Hokitika Pump Station Upgrades
- Reticulation Upgrades
- Hokitika WWTP Upgrade

Medium criticality projects for renewals include the following:

- Fitzherbert St Pump station Building Assessment
- Upgrade Dump Station
- WWTP Component Upgrade
- Upgrade Stock Effluent Dump Station

The renewals required both at WWTPs and within the wastewater network are linked to high criticality assets. Primary drivers for upgrades at the WWTP include renewal of consents, this is applicable for Hokitika WWTP Upgrades, with a high criticality and large investment forecast, this is considered a key project for capital expenditure. Other projects within the networks allow for the maintenance of levels of service through the upgrading of assets when they have reached end of life. Other projects such as the Fitzherbert St Pump Station Building Assessment have been allowed to inform the next LTP.

Stormwater

The primary project linked to levels of service is the Upgrade of Pump Station SCADA/Telemetry, this involves the phasing out of current units to be replaced by new ones and is considered high criticality. This project will ensure operations have network insights to allow for responsiveness to flooding events and network issues, improving levels of service to the community.

Whilst growth has not been a key driver in most of the water services, there is funding set aside in a capital project for new serviced connections, this a growth project and included within this LTP.

High criticality projects for renewals include the following:

- Hoffman St Pump Station

- Stormwater Mains Replacements
- Jollie St Pump Station
- Livingstone St Pump Upgrade
- Rolleston St Pump Station
- Sewell St Pump Station
- Tancred St Pump Station
- Upgrade of Pump Station SCADA/Telemetry

Medium criticality projects for renewals include the following:

- Stormwater Sump Replacements.
- River Outfall Flap Gates.

- The stormwater renewals are driven by flood risks based on historic flooding during heavy storm events, nuisance flooding during rainfall as well as customer complaints and operational observations. Upgrades to pump stations across the network will enhance the removal of water from high-traffic areas during flooding events, reducing disruption and improving safety.

Infrastructure Acceleration Funding application

In 2022 Westland District Council were successful with an Infrastructure Acceleration Fund application of $3.5 million to develop part of the Hokitika Racecourse for new housing. This development will enable a minimum of 110 new houses with the trunkline infrastructure for transport and three waters funded by the IAF. In 2024 a developer purchased Superlot 1 with the option to confirm the purchase of Superlots 2 and 3. Construction is well underway and the trunkline infrastructure is expected to be completed by the end of this year.

Projected investment in water services	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Drinking water									
Capital expenditure - to meet additional demand	$0	$0	$0	$15,000	$0	$0	$0	$50,000	$0
Capital expenditure - to improve levels of services	$5,000	$5,000	$5,000	$135,000	$55,000	$40,000	$40,000	$175,000	$155,000
Capital expenditure - to replace existing assets	$1,260,000	$1,742,000	$1,500,000	$1,415,100	$1,520,100	$670,000	$1,340,000	$860,000	$655,000
Total projected investment for drinking water	**1,265,000**	**1,747,000**	**1,505,000**	**1,565,100**	**1,575,100**	**710,000**	**1,380,000**	**1,085,000**	**810,000**

Wastewater									
Capital expenditure - to meet additional demand	$603,750	$3,270,438	$2,769,188	$62,500	$125,000	$0	$300,000	$875,000	$832,500
Capital expenditure - to improve levels of services	$816,250	$3,570,438	$2,779,188	$72,500	$135,000	$10,000	$310,000	$885,000	$842,500
Capital expenditure - to replace existing assets	$1,517,500	$6,750,875	$5,538,376	$1,385,000	$2,600,500	$1,850,000	$2,570,500	$3,785,000	$4,105,000
Total projected investment for wastewater	**2,937,500**	**13,591,750**	**11,086,751**	**1,520,000**	**2,860,500**	**1,860,000**	**3,180,500**	**5,545,000**	**5,780,000**
Stormwater									
Capital expenditure - to meet additional demand	$0	$0	$0	$0	$0	$0	$0	$0	$0
Capital expenditure - to improve levels of services	$312,000	$331,000	$130,000	$180,000	$55,000	$130,000	$5,000	$130,000	$5,000
Capital expenditure - to replace existing assets	$535,000	$805,000	$618,000	$645,000	$440,000	$690,000	$190,000	$430,000	$265,000
Total projected investment for stormwater	**847,000**	**1,136,000**	**748,000**	**825,000**	**495,000**	**820,000**	**195,000**	**560,000**	**270,000**
Total projected investment in water services	**5,049,500**	**16,474,750**	**13,339,751**	**3,910,100**	**4,930,600**	**3,390,000**	**4,755,500**	**7,190,000**	**6,860,000**

Historical delivery against planned investment

The table below demonstrates the percentage of planned works (as set in the LTP) completed.

Delivery against planned investment	Renewals investment for water services				Total investment in water services			
	FY2023/24	FY21/22 - FY22/23	FY19/20 - FY20/21	Total	FY2023/24	FY21/22 - FY22/23	FY19/20 - FY20/21	Total
Total planned investment (set in the relevant LTP)	$2,790,000	$4,932,000	$1,120,000	$8,842,000	$3,726,000	$8,957,000	$6,002,000	$18,685,000
Total actual investment	$956,000	$4,535,000	$2,698,000	$8,189,000	$2,569,000	$11,472,000	$10,168,000	$24,209,000
Delivery against planned investment (%)	**34%**	**92%**	**241%**	**93%**	**69%**	**128%**	**169%**	**130%**

Historical LTP renewal budgets have been relative to the actual total spend over the past five years. Total investment of water services has been unbudgeted in the LTP over the past five years due to the unforeseen costs associated with Water Treatment Plant upgrades and Wastewater Treatment Plant upgrades, particularly in relation to project delays and increases in complexity requiring an increase in scope for the corresponding tenderers; these costs are primarily associated with levels of service. Note there were challenges between 2020 and 2022 due to delays related to COVID-19 and unforeseen cost increases as a result. However, following the major upgrades to WTPs and WWTPs from 2019 through to 2022, FY2023/24 budgets have levelled out with only 68% of the LTP budget actual spent.

Future projects related to the current LTP has been spaced and projected into the next 10 years through prioritising based on need, regulatory deadlines and available budgets. Projects have been split over multiple years to spread the costs to rate payers and allow time for delivery on the planned investments. These include renewals of major water, wastewater and stormwater mains as well WWTP consent renewals. With the intention to form a WSCCO in 2026, and transfers intended to occur by 1 July 2027, the ring fencing of WDC's budgets will need to be maintained to allow for the investments to occur as proposed.

Part C:

Revenue and financing arrangements

BULLER DISTRICT COUNCIL
Te Kaunihera O Kawatiri

MĀWHERA GREY DISTRICT COUNCIL

WESTLAND
District Council | Te Kahui o Poutini

Part C: Revenue and financing arrangements

Revenue and charging arrangements

Overview of revenue sources

The primary mechanisms used by the West Coast Councils to fund the operating and capital expenditure for water services are rates set under the Local Government (Rating Act 2002). Rates are collected through:

- general rates (for the general purpose of each council or wider benefit of each district);
- Uniform Annual General Charge (UAGC – a fixed $ amount per rating unit); and,
- targeted rates (levied for a particular purpose/activity).

In addition to rates, the Councils raise revenue through other sources:

- fees and charges for services such as connection fees;
- financial contributions under the RMA, which are collected to provide for the cost of infrastructure attributable to new developments; and
- vested asset from land developers.

The councils may also receive subsidies and grants when available.

Current rates mechanisms

Buller District Council

Drinking Water

Drinking water supplies are funded by targeted rates.

As outlined in the current Revenue and Financing Policy, targeted water supply rates are assessed on a differential basis based on use of the property and the number of connections within each rating unit. A 'connection' is defined as a rating unit, or each separately used or inhabited portion (SUIP) of a rating unit, which is connected to the water supply in any scheme area. Specific differentials are set for major users. For some schemes the rate is assessed on any rating unit able to be connected. In addition, a targeted rate per cubic metre of water applies for some schemes and specific differentials are set for major users.

The charging mechanisms used for each scheme are as follows:

- Westport – targeted rate assessed on a differential basis based on the use of the property and the number of connections within each rating unit, plus a targeted rate per cubic metre of water for usage above 400 m^3 per year.
- Reefton – targeted rate assessed on a differential basis based on the use of the property and the number of connections within each rating unit, plus a targeted rate per cubic metre of water for usage above 400 m^3per year.
- Mokihinui – targeted rate assessed on a differential basis based on the use of the property and the number of connections within each rating unit.

- Ngakawau/Hector – targeted rate assessed on a differential basis based on the use of the property and the number of connections within each rating unit.
- Waimangaroa – targeted rate assessed on a differential basis based on the use of the property and the number of connections within each rating unit.
- Little Wanganui – targeted rate assessed on a differential basis based on the use of the property and the number of connections within each rating unit. A rate is also set for serviceable rating units that are not connected to the supply.
- Inangahua Junction – targeted rate assessed on a differential basis based on the use of the property and the number of connections within each rating unit. A rate is also set for serviceable rating units that are not connected to the supply.
- Cape Foulwind – targeted rate per cubic metre of water usage (stock supply).
- Punakaiki – targeted rate assessed on a differential basis based on the use of the rating unit.
- Granity South – charge to the connected properties for the ongoing upkeep of the supply (this is not a "rate" in terms of the Local Government (Rating) Act 2002).

Wastewater

Wastewater treatment and disposal are funded by targeted rates.

Targeted sewage disposal rates are assessed on a differential basis based on use of the property and the number of connections within each rating unit. A 'connection' is defined as a rating unit, or each separately used or inhabited portion (SUIP) of a rating unit, which is connected to the disposal line in any scheme area. For some schemes a rate is also assessed on any rating unit able to be connected.

The charging mechanisms used for each scheme are as follows:

- Westport – targeted rate assessed on a differential basis based on the use of the property and the number of connections within each rating unit.
- Reefton – targeted rate assessed on a differential basis based on the use of the property and the number of connections within each rating unit.
- Little Wanganui – targeted rate assessed on each rating unit. A rate is also set for serviceable rating units that are not connected to the supply.

Stormwater

Stormwater is funded by general rates, including the Uniform Annual General Charge.

The general rate is assessed on the land value of the property on a differential basis based on the location, area, land use and the activities that are permitted, controlled or discretionary for the area in which the land is situated as per the District Plan. There are 42 differentials in place for the general rate.

The Uniform Annual General Charge is assessed as a fixed amount per rating unit.

Grey District Council

Drinking Water

Drinking water supply is funded by targeted rates.

Targeted rates are set for each water supply and are assessed on the basis of one targeted rate per separately used or inhabited part of a rating unit which is either connected to the scheme or for which a connection is available.

The rates are set on a differential basis based on the availability of the service – either connected or serviceable, and based on the location in the district

- Connected means the rating unit is connected to a Council operated water reticulation scheme.
- Serviceable means the rating unit is not connected but is within 50 metres of such a scheme. Rating units which are not connected to the scheme, and which are not serviceable, will not be liable for this rate.

The locations and differential categories are:

- Blackball, Dobson/Taylorville, Greymouth, Stillwater – connected
- Runanga – connected.
- Kaiata – connected.
- South Beach water loan – connected
- Blackball, Dobson/Taylorville, Greymouth, Stillwater – unconnected
- Runanga – unconnected.
- Kaiata – unconnected.
- South Beach water loan – unconnected

The Council sets a metered water targeted rate per cubic metre of water supplied to any rating unit. Commercial/industrial are classified where volume supplied is in excess of 75m^3 per and 300m^3 per annum.

Wastewater

Wastewater treatment and disposal is funded by targeted rates.

Targeted rates for each scheme are assessed on the basis of one targeted rate per separately used or inhabited part of a rating unit which is either connected to a Council scheme or for which a connection is available.

The rates are set on a differential basis based on the availability of the service – either connected or serviceable.

- Connected means the rating unit is connected to a Council operated sewerage scheme.
- Serviceable means the rating unit is not connected but is within 30 metres of such a scheme and is able to connect by way of a gravity feed. Rating units which are not connected to the scheme, and which are not serviceable, will not be liable for this rate.

Quarter charges apply to hotels, motels, and schools which receive an initial full sewerage charge and then one quarter sewerage charge for each unit (pan charge) thereafter.

The locations and differential categories are:

- Blackball - connected
- Dobson/Taylorville/Kaiata, - connected capital and operating and maintenance rates
- Greymouth - connected
- Karoro – connected

- Runanga – connected.
- Moana – connected.
- Runanga – connected
- South Beach/Paroa – connected
- Te-Kinga - connected
- South Beach Loan – connected

- Blackball – not connected
- Dobson/Taylorville/Kaiata, - not connected capital, operating and maintenance rates
- Greymouth - not connected
- Karoro – not connected
- Runanga – not connected
- Moana – not connected
- Runanga – not connected
- South Beach/Paroa – not connected
- Te-Kinga – not connected
- South Beach Loan – not connected

- Dobson/Taylorville/Kaiata, - pan charge for each pan or urinal connected used for commercial or educational purposes – charged for operating and maintenance rate
- Moana – pan charge for each pan or urinal connected used for commercial or educational purposes.
- Te-Kinga – pan charge for each pan or urinal connected used for commercial or educational purposes.

Stormwater

Stormwater is funded through the general rate.

The general rate is assessed on the land value of the property on a differential basis based on land use. There are nine differentials in place for the general rate.

Westland District Council

Drinking Water

Drinking water supply is funded by targeted rates.

Drinking 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. The rate is set differentially depending on the nature of the connection to the land and land use.

The locations and differential categories are:

- 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 – not connected
- Rural Townships Treated water – Connected (all rating units other than commercial ones).
- Rural Townships Treated water – Commercial connected.
- Rural Townships Treated water – not connected
- Rural Townships Untreated – Connected (all rating units other than commercial ones).
- Rural Townships Untreated – Commercial connected.
- Rural Townships Untreated – not connected

Metered 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.

The locations are:

- Hokitika and Kaniere metered water.
- Rural Townships metered water.

Water rates are also set and assessed on the property used as a milk treatment plant in Hokitika. The rates are:

- Hokitika Milk Treatment Plant rate fixed charge from 0m^3 up to a projected demand for the year.
- Hokitika Milk Treatment Plant metered water greater than projected demand for the year.

Wastewater

Wastewater treatment and disposal is funded by targeted rates.

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.

The rates are:

- Sewerage Connected (per water closet or urinal).
- Sewerage Unconnected (per rating unit).

Stormwater

Stormwater is funded within community targeted rates. The community rates are set and assessed as an amount per rating unit, on all rateable land in the community rate zone (as mapped in the Rating Policy). Within each area the rate is set differentially based on the location of the land and the use to which the land is put. Stormwater is funded by the community rates in the following areas:

- Hokitika
- Franz Josef/Waiau
- Fox Glacier
- Haast
- Bruce Bay

Fees and charges

Fees and charges are set by councils through their Long-Term Plan and Annual Plan processes. These include connection fees, volumetric charges for trade waste and metered water charges. Some charges are based on a cost recovery approach.

The WSCCO will continue to set and collect appropriate fees and charges under the Water Services Strategy and annual budget setting and in compliance with any economic regulation and consumer protection requirements set by the Commerce Commission.

Financial Contributions (Growth Funding)

All 3 councils currently collect funds from land and property developers via financial contributions provisions in their current District Plans. The West Coast Councils, and the West Coast Regional Council are working together to create a combined district plan for the West Coast region (the proposed Te Tai o Poutini Plan or TTPP) and had considered developing a financial contribution framework under that plan but then decided that their preference was to prepare a development contribution policy under the Local Government Act 2002.

With the announcement in February 2025 by Central Government that they would be introducing a development levy approach to fund future infrastructure, the West Coast Councils have now decided that they will start working together regarding development charges as the Government pivots to a Development Levy regime.

If any of the councils receive financial contributions in relation to water activities during the transitional period or after the WSCCO commences, they will pass these funds to the WSCCO (where they have been collected to fund water related infrastructure). Up to the start of the WSCCO the councils can still utilise these contributions against water projects – the remaining fund balance will be transferred.

Growth is only forecast to be 0.5% pa and as such, it is expected that financial contributions income will continue at their low levels for each council area during the life of the WSDP period. Income from this source is negligible. It is expected that each council will continue to receive payment of drinking water and wastewater development contributions after the transfer of the respective assets to the CCO, due to timing between the issue of consents and the payments being made. These payments will be transferred to the WSCCO. No changes have been made to the projected growth revenue from Development Contributions.

Contributions within this WSDP as although, once introduced, development levies may return a higher level of funding for growth related infrastructure, the extent of the uplift is not yet clear.

Infrastructure Acceleration Funding applications

In 2024 BDC were successful with an Infrastructure Acceleration Fund application of $13.6 million. Initial design work has been completed, and a first stage of construction is scheduled to commence in late 2025 calendar year and finish in late in the 2026 calendar year. This construction provides initial capacity for subdivision development at Alma Road. BDC will need to engage with NIFFco on how future drawdowns from this IAF will be managed.

In 2022 Westland District Council were also successful with an Infrastructure Acceleration Fund application of $3.5 million to develop part of the Hokitika Racecourse for new housing. This development will enable a minimum of 110 new houses with the trunkline infrastructure for transport and three waters funded by the IAF. In 2024 a developer purchased Superlot 1 with the option to confirm the purchase of Superlots 2 and 3. Construction is well underway and the trunkline infrastructure is expected to be completed by the end of this year.

Vested assets

The three districts experience limited population growth and expect to receive limited amounts of vested assets from land developers across the life of this plan. Any vested three waters assets that are received by the councils as a result of local development will be transferred to be owned and maintained by the WSCCO.

Proposed Charging Arrangements under WSCCO

For the period up to 30 June 2027 the three councils will continue to charge for water services using the mechanisms described above. From 1 July 2027 the WSCCO will set water charges under the provisions of Local Government (Water Services) Bill (as enacted) for Drinking water supply, wastewater services and stormwater services. The WSCCO will consider the approach to charging, the frequency of charging and whether to make wider use of volumetric or availability charges. It is intended that the transitional charging arrangements provided by the legislation will be used to provide for the transfer to a compliant WSCCO charging regime.

If the WSCCO commences prior to 1 July 2027, a transition period will need to be considered where the individual councils will continue to set and collect targeted rates for water supply, wastewater and stormwater on a connection and volumetric basis, passing the revenue on to the CCO. This will be recorded in the required transfer agreements between the Councils and WSCCO, with necessary service level agreements in place to support any transitional arrangements.

The pricing is intended to be specific to each district and not be harmonised. This means that the amount consumers pay will reflect the operating costs, capital expenditure and borrowing associated with the infrastructure and service delivery within each district.

Separation of water services revenue from the council's other functions and activities

The 3 councils intend to maintain current charging mechanisms until the commencement of the WSCCO in July 2027. Most of the revenue and expenses for water services are separated from other council functions under current accounting arrangements through the use of targeted rates, specific cost centres and reserve accounts. Some revenue is collected through general rates, specifically stormwater services, and as such is not separated from other functions. From 1 July 2027, at the latest, all revenues and expenses relating to water services will be separated from the councils' other functions through the establishment of the WSCCO.

Water services revenue requirements and sources

The total revenue requirement over the period 2024-2034 is summarised below, broken down by sources of revenue. The tables show revenue for the three years 2024/25 to 2026/27 for each council and for the WSCCO for the seven years 2027/28 to 2033/34.

Buller DC

Buller DC Revenue Requirements ($000)	FY24/25	FY25/26	FY26/27
General rates	1,020	1,205	1,205
Targeted rates	6,993	8,381	9,382
Fees and charges	25	64	66
Development and financial contributions	500	2,331	582
Subsidies and grants for capital expenditure	0	5,000	8,000
Total Revenue	**8,538**	**16,981**	**19,235**
Categorised as:			
Operating Revenue	8,038	9,660	10,653
Capital Revenue	500	7,331	8,582

Grey DC

Grey DC Revenue Requirements ($000)	FY24/25	FY25/26	FY26/27
General rates	1,635	1,095	2,102
Targeted rates	7,076	8,671	7,801
Fees and charges	346	2,086	2,137
Development and financial contributions	80	350	350
Subsidies and grants for capital expenditure	0	0	0
Total Revenue	**9,137**	**12,201**	**12,389**
Categorised as:			
Operating Revenue	9,057	11,851	12,039
Capital Revenue	80	350	350

Westland DC

Westland DC Revenue Requirements ($000)	FY24/25	FY25/26	FY26/27
General rates	198	420	432
Targeted rates	7,971	8,439	9,125
Fees and charges	160	143	147
Development and financial contributions	0	134	0
Subsidies and grants for capital expenditure	0	0	0
Total Revenue	**8,329**	**9,158**	**9,704**
Categorised as:			
Operating Revenue	8,329	9,025	9,701
Capital Revenue		134	

WSCCO

WSCCO revenue requirements ($000)	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Targeted rates / water services charges	33,878	37,069	40,532	44,316	48,621	49,940	51,421
Fees and charges	2,679	2,738	2,794	2,852	2,910	2,969	3,027
Development and financial contributions / WICs	473	473	473	473	473	473	473
Subsidies and grants for capital expenditure	3,900	2,000	0	0	0	0	0
Total revenue	**40,930**	**42,279**	**43,799**	**47,640**	**52,003**	**53,381**	**54,920**
Categorised as:							
Operating Revenue	36,557	39,806	43,326	47,167	51,530	52,908	54,447
Capital Revenue	4,373	2,473	473	473	473	473	473

For the period until transfer to the WSCCO, charging and collection of rates revenue will be through the rate system, using the mechanisms described above. Charging for other sources of revenue will be via separate invoice.

Existing and projected commercial and industrial users' charges

Commercial and Industrial pay charges in the same way as residential consumers although there are some specific charges for commercial and industrial users. The councils collect trade waste and septage charges from some industrial and commercial consumers and it is expected that the WSCCO will continue with a similar charging structure.

Arrangements will likely continue and be established for very large users including Westland Milk which is currently charged a water rate at a fixed sum.

The WSCCO will review all connections to ensure that all commercial and industrial users have been identified and are being charged at an appropriate level compared to residential customers.

The affordability of projected water services charges for communities

The West Coast Councils seek to provide water services in an efficient way and for charges to reflect the full cost of providing the services, including making adequate provision for the renewal of assets.

The water services charge as a percentage of median household income over the period 2024-2034 is summarised below. These tables show the measure for three consecutive years 2024/25 to 2026/27 for each council and for the WSCCO for the seven years 2027/28 to 2033/34.

Buller DC

Projected average charge per connection including GST	FY24/25	FY25/26	FY26/27
Average drinking water bill (including GST) ($)	1,161	1,388	1,533
Average wastewater bill (including GST) ($)	997	1,193	1,317
Average stormwater bill (including GST) ($)	155	185	205
Average charge per connection including GST ($)	2,313	2,766	3,054
Projected median household income ($)	102,252	103,809	105,366
Water services charges as % of household income	2.3%	2.7%	2.9%

Grey DC

Projected average charge per connection including GST	FY24/25	FY25/26	FY26/27
Average drinking water bill (including GST) ($)	796	916	998
Average wastewater bill (including GST) ($)	719	826	900
Average stormwater bill (including GST) ($)	258	296	323
Average charge per connection including GST ($)	1,772	2,038	2,221
Projected median household income ($)	121,864	123,720	125,576
Water services charges as % of household income	1.5%	1.6%	1.8%

Westland DC

Projected average charge per connection including GST	FY24/25	FY25/26	FY26/27
Average drinking water bill (including GST) ($)	1,181	1,205	1,313
Average wastewater bill (including GST) ($)	570	582	634
Average stormwater bill (including GST) ($)	681	695	758
Average charge per connection including GST ($)	2,433	2,482	2,705
Projected median household income	103,841	106,437	109,098
Water services charges as % of household income	2.3%	2.3%	2.5%

WSCCO

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

Considerations and constraints

Throughout the period of consulting and establishing the WSCCO the impact on ratepayers has been a core consideration.

The Local Water Done Well programme has the objective of significantly improving the quality of our communities' water, wastewater and stormwater systems by delivering three waters infrastructure that provides:

- A higher quality of drinking water;
- Treating wastewater and stormwater to a standard that improves the water quality from any final discharge;
- Replacing or renewing the infrastructure in a timely manner that does not impact on service delivery; and
- Ensuring that there is infrastructure capacity available in a timely manner for growing communities.

The quality outcomes above are set by regulation but are also supported by separate pricing regulations to ensure that a WSCCO creates the appropriate income to achieve the quality outcomes required. These two regulations means that water charges will be higher than previously experienced for West Coast consumers of three waters services.

To keep future charges at 'reasonable levels' is challenging for the proposed West Coast WSCCO.

There are several factors that will help minimise water charges as much as possible.

The borrowing covenants (rules) for WSCCO's allow the proposed West Coast WSCCO to repay borrowings when surplus cash from operations exists. The current approach by the West Coast Council's is to repay borrowings over an agreed timeframe of say 20 to 30 years and levy the targeted rates to collect the borrowings repayments.

Managing the collective Councils' water activities in one entity allows efficiencies in capital and operating programmes and allows staff to focus on delivering one activity. From this we expect to identify areas in operations and planning which will provide cost savings in the longer term.

Additionally, having a board of directors who focus on nothing but supplying the most effective and efficient water services for the West Coast is also a benefit.

But at the core of our concerns for the new WSCCO will be that the charges being imposed by regulation are higher than some will be able to afford. Medium household incomes on the West Coast are less than the national average ($135,092) and thus the ability of west coast consumers to meet the new levels of water services charges will need careful management.

The WSCCO is expected to develop policies/processes to assist their customers to pay their charges in a manner that is easy for the customer. If customers are challenged to pay the level of charges, then the company will need to treat them with dignity as they determine payment solutions.

Customers of the WSCCO will also be customers of each of the 3 territorial councils and the West Coast Regional Council. Each of these entities will need to be aware of the work programmes of each that needs to be delivered statutorily or are seen as a priority for delivery. At times there will be a need to determine priorities between all entities and decisions made not to proceed with some projects due to the impact of the costs being financially burdensome on the West Coast's residents and ratepayers. This will require a close working relationship between the West Coast Councils and the WSCCO, in particular.

There will be an impact financially on residents and ratepayers in the short-term (next five years) as the additional water charges required to improve the quality of our water services are increased. The charges though do peak at about 3.1% of median household income in 2032/33 year and should reduce somewhat from that time.

Current council arrangements - financial hardship

A priority expectation of the West Coast Councils of the proposed WSCCO will be that they consider and develop an appropriate Financial Hardship Policy prior to the first year of water charges being levied.

The West Coast Councils currently provide limited financial relief options for residents facing hardship in paying rates. Westland District Council currently has a policy by which they will postpone the payment of rates in certain circumstances.

The Central Governments Rates Remission Policy (administered by the DIA) includes provisions for extreme financial hardship, allowing for remissions in cases such as emergencies or disasters.

Additionally, the Department of Internal Affairs (DIA) Rates Rebate Scheme offers financial assistance to low-income homeowners, with rebates of up to $790 for the 2024/2025 rating year.

This policy and scheme administered by the DIA are expected to be available in the future to support residents struggling with water service costs while ensuring equitable access to essential services.

The 3 councils are aware of a new financial assistance scheme being currently developed by Central Government to assist ratepayers struggling to pay their rates (territorial and regional councils) and the future WSCCO charges.

The proposed scheme, called the 'Ratepayer Assistance Scheme,' would be jointly operated by local and central government. Details of the scheme are not yet known, but the proposal would allow ratepayers to apply to postpone the paying of their rates and water charges until their property is sold in the future. At that time, all rates and charges postponed, would be paid with an appropriate interest charge. The interest charge would be the same or like the cost of the WSCCO or councils own borrowing costs but certainly cheaper than if the ratepayer had to fund the cost via normal bank loans interest rates.

The West Coast Councils welcome this initiative at a time when increased charges, no matter the merits of the benefits and improvements to the quality of water being achieved, will challenge some ratepayer's ability to pay.

Funding and financing arrangements

Water services financing requirements and sources

The estimated water services borrowing and net debt to operating revenue over the period 2024-2034 is summarised below. The tables show the ratio for the three years 2024/25 to 2026/27 for each council and for the WSCCO for the seven years 2027/28 to 2033/34.

Borrowings for the West Coast Councils for the first three years of water services are not always in borrowing limits. Buller operates a $ cap of net debt no greater than $57.6 million while Grey and Westland District Council's use a % approach of operating revenue. This approach when applying the % to water operating revenue breaches the limits.

Borrowings for the balance of council activities when considered against total operating revenues are within allowed limits. The financial strategy used by the West Coast Councils to ring fence their waters activities for water and wastewater will be retained for the first three years while stormwater costs and revenue will be manged by cost centre accounting.

New borrowings for the WSCCO are within limits and headroom is held in the case of unexpected requirements for additional borrowings.

Buller DC

Projected water services net debt to operating revenue	FY24/25	FY25/26	FY26/27
Total operating revenue ($000)	8,038	9,650	10,653
Net debt ($000)	32,244	35,200	40,835
Net debt as a % of operating revenue	401%	365%	383%
Council borrowing limit ($000)	57,600	57,600	57,600

Grey DC

Projected water services net debt to operating revenue	FY24/25	FY25/26	FY26/27
Total operating revenue ($000)	9,057	11,852	12,040
Total net debt	18,869	26,986	43,321
Total net debt as a % of operating revenue	208%	228%	360%
Council borrowing limit (%)	175%	175%	175%

Westland DC

Projected water services net debt to operating revenue	FY24/25	FY25/26	FY26/27
Operating revenue	8,329	9,002	9,704
Total net debt	13,972	17,343	30,973
Total net debt as a % of operating revenue	168%	193%	319%
Council borrowing limit (%)	175%	175%	175%

WSCCO Projected water services net debt to operating revenue	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Total operating revenue ($000)	36,557	39,807	43,326	47,167	51,531	52,909	54,448
Net debt ($000)	150,938	164,396	176,184	184,774	192,495	203,383	211,717
Debt headroom to limit ($000)	59,595	41,982	42,468	49,375	62,058	62,308	59,254
Net debt to operating revenue (%)	413%	413%	407%	392%	374%	384%	389%
Water borrowing limit (%)	500%	500%	500%	500%	500%	500%	500%

Debt repayment strategy

For the period to June 2027, the West Coast Councils will continue with their current debt repayment strategies. External loans are raised through the LGFA on a pooled approach to meet the funding requirements of all council activities. However, internal accounting arrangements are in place that allocate borrowing to activities, including individual water supply and wastewater schemes, as if they were a table loan. Annual principal 'repayments' are built into the annual rates requirement calculation for each activity/scheme and these 'repayments' are set aside and held in reserve accounts that offset external borrowing requirements. This approach will continue up to the transfer of assets and liabilities to the WSCCO at the end of the 2026/27 financial year.

The funding model for the WSCCO is designed to comply with LGFA covenants in terms of the ratio between Funds From Operations (operating revenue minus operating expenses plus depreciation and other non-cash expenses, less interest revenue) and net debt (gross borrowings minus cash and equivalents). This means that the WSCCO will generate sufficient revenue to demonstrate to the LGFA that it can repay its debts but will not necessarily recover annual principal 'repayments' as part of the calculation of its charges.

As such, the WSCCO will not set aside specific amounts for debt principal repayments but will manage its revenue and borrowings so that it complies with LGFA covenants. The approach to be applied by the WSCCO will allow more flexibility in the delivery of the capital investment required in the coming years whilst maintaining a prudent approach to managing debt levels and charge levels. Underlying loans from the LGFA will be repaid as they fall, with new loans taken out to facilitate the repayment of loans as required.

Internal accounting arrangements will be maintained to allocate borrowing and associated financing costs to the three services within each council area, and where necessary to schemes within each council area.

Internal borrowing arrangements

All of the West Coast Councils manage most of their borrowing on a pooled basis and use internal accounting arrangements to establish internal loans and debt balances for each council activity and where required individual scheme. The gross debt for the water services is made up of the relevant internal loan balances plus any external loans that have been raised for a specific project or purpose. The gross debt balance may be offset by reserve accounts that have been set up for specific purposes, including depreciation/renewal reserves.

Where these funds reflect revenues that have been collected in relation to the activity, such as rates, fees and contributions the balance is offset against the gross debt balance to give a net debt balance.

Where reserves are created simply for accounting purposes through a transfer within equity and does not reflect funds received for the activity the balance is not offset against debt.

These internal accounting arrangements that create internal loans will continue for the three councils up to 30 June 2027. From 1 July 2027 water services debt will be managed and accounted by the WSCCO and not be pooled with other council activities (subject to the practicalities of the transfer of debt instruments from the councils to the WSCCO).

During the transition period of services and funding transferring between the west coast councils and the WSCCO, the West Coast Councils will need to ensure they maintain their current borrowing arrangement until the WSCCO's own borrowing arrangements are established. It is expected that the WSCCO eventual borrowing will involve the LGFA (and potentially other lending sources), but interim arrangements will be required to assist with the transition to the new water organisation (expected to be through on-lending arrangements with the West Coast Councils). As part of the transition, the current West Coast Councils will need to ensure that their own borrowing arrangements with the LGFA are appropriately managed, so that there is a seamless transfer to the WSCCO as part of the establishment process.

Determination of debt attributed to water services

The net debt for each council as at 30 June 2025 has been based on the balances of the councils as at that date. Each council maintains records of debt attributable to its three waters activities as part of maintaining a targeted rating ring fenced approach to their current funding of their three waters activities.

The following table is presented in $ millions:

	Drinking Water	Waste Water	Stormwater	**Total**
Buller District	24.317	6.240	1.500	**32.507**
Grey District	6.567	11.616	0.947	**19.130**
Westland District	3.925	3.829	2.082	**9.836**
Total	**34.809**	**19.685**	**4.529**	**59.023**

Insurance arrangements

The three councils currently hold insurance cover for:

- Underground assets – as members of the South Island Council Collective Group (SICC). They each hold full replacement cover although they each hold sub-limits on this asset class as follows:
    - Buller and Westland - $60 million each – deductible - $250,000 each
    - Grey - $100 million - deductible - $250,000
- Above ground assets for material damage – full replacement cover applies to all councils

DEDUCTIBLES: Non-Natural Disaster *(inclusive of GST)*		
Material Damage	Each and every loss or series of losses arising from one **event**	$10,000
	Except for: Dwellings	$5,000
Additional Deductibles	Weather and Flood Perils	$50,000
DEDUCTIBLES: Natural Disaster *(inclusive of GST)*		
The **natural disaster deductible** will be calculated as shown below and applies to the combined Material Damage and Business Interruption loss for any one **event** at each **location** where there is **damage**.		
West Coast	2.5% of the Material Damage **location sum insured** but not less than	$10,000
	or, for Pre-1935 Risks: 10% of the Material Damage **location sum insured** but not less than	$10,000

- Liability policies for the actions of elected members and council staff members

The West Coast Councils engage AON insurance brokers to advice on the annual insurance placement process. AON advise on day-to-day approaches to risk management, with insurance being a strong focus but AON also advise on other risk management strategies as appropriate. AON will be retained to advise on the transition to the WSCCO and the initial period of insurance cover for the WSCCO.

Central to the West Coast Councils' approach to their current, and future insurance programme for the WSCCO, is the importance of identifying and managing risks related to assets, liability, financial, and people. Key strategies include:

- **Risk Management:** Implementing mitigation, retention, transfer, and recovery processes within a risk management framework.

- **Quantification:** Using loss modelling to assess potential impacts and outcomes (refer to the note below on the programme of earthquake modelling).

- **Risk Tolerance and Appetite:** Defining the levels of risk that the organisation is willing to accept.

- **Financial Optimisation:** Enhancing credit ratings and risk management to improve access to capital markets, insurance, and alternative risk transfer solutions.

Directors and Officers insurance will be in place for the WSCCO during transition and commencement periods.
Business interruption insurance cover will need to be considered for the activities of the WSCCO. Such cover is not normally considered for three waters activities under council service delivery as rates income, even after an event that damage assets to a degree where they cannot deliver services, continues to be paid by ratepayers. That may not occur under a service charging regime that a WSCCO will implement and thus business interruption cover may be appropriate.
Reporting on insurance matters and the insurance renewal process is generally made to a council's Audit & Risk Committee and depending on specific council delegations, the full council. The WSCCO board will take that reporting and approval role in the future.

Insurance relating to the three waters activities will be on-charged effective from the point of transfer of the assets to the WSCCO. It is envisaged that the coverage, terms and renewal period will remain unchanged from the current three councils' arrangements.

Additional insurance notes

Government contribution to damaged underground assets

If there is damage/loss suffered to underground infrastructure assets from an event, the Government have a policy which contributes 60% of the claimable costs, subject to the specified threshold (currently 0.0075 percent of the net capital value of the district council) being exceeded and the council having an arrangement to cover the balance of the claim (40%). This policy of government contribution is set/established under the National Civil Defence Emergency Management Plan Order 2015. It is noted that Bill 3 intends to amend the National Civil Defence Emergency Management Plan Order 2015 to include 'water organisations'. The insurance policies held by the West Coast Councils currently meet the government's requirement.

The WSDP assumes that continuing cover will be achieved on similar basis, dependent on amendments to extend the cover beyond local authorities to include water organisations.

As with all insurance policies, it is important that all 3 waters assets are identified, asset additions and disposals are correctly managed via an asset register, and all assets are regularly revalued to reflect appropriate insurance valuation expectations. Such expectations will ensure regular asset valuations, inflation provisions from claim until repair is completed are calculated and disposal of the existing assets and claim costs are calculated and included in the insurance cover. The West Coast Councils will continue to be diligent to maintain this approach to insuring its three waters assets until the handover date for the ownership and management of the councils three waters assets transfers to the WSCCO, with a revaluation to be completed prior to asset transfer which will be used to determine WSCCO shareholdings.

Earthquake loss modelling (August 2025)

All three councils are part of the South Island Council Collective Group (SICC). This group is currently (as of August 2025) developing a programme to quantify potential losses to the SICC member councils' three waters networks due to earthquake events.
This programme covers:

- **Reticulation** assets insured on the SICC group infrastructure policy,
- Three-waters **facilities** (such as treatment plants, pump stations, reservoirs, etc.) covered by the above ground material damage policy.

This programme of works will help inform ongoing and future discussions for the future WSCCO and the council s current needs.

Part D:

Financial sustainability assessment

BULLER DISTRICT COUNCIL
Te Kaunihera O Kawatiri

MĀWHERA GREY DISTRICT COUNCIL

WESTLAND
District Council | Te Kahui o Poutini

Part D: Financial sustainability assessment

Confirmation of financially sustainable delivery of water services

Confirmation of financially sustainable delivery of water services by 30 June 2028

This section provides all necessary information required to demonstrate how the plan achieves financially sustainable delivery of water services by 30 June 2028. As outlined in each of the Councils' Part B sections, the time required to meet investment sufficiency across the WSCCO is currently expected to be at least 15 years due to affordability and deliverability constraints. This is the time required to respond to BDC's current renewals deficit. Sufficient funding is allocated for BDC to meet growth, level of service and compliance requirements within the 10-year period. The additional time is specifically focused on responding to BDC's renewals deficit.

The plan confirms that to deliver the outline capital programme, it meets the revenue and financing sufficiency requirements as outlined in this section.

Actions required to achieve financially sustainable delivery of water services

The investment requirements are outlined in Part B for each Council.

As outlined in the Part Bs, there are some existing challenges including compliance, changes in the legislative setting and renewals being based on age and material.

As the situation for each of the West Coast Councils is different, the work required to achieve compliance or improve condition data is outlined in each individual Part B. Risks are provided in the Additional Information section.

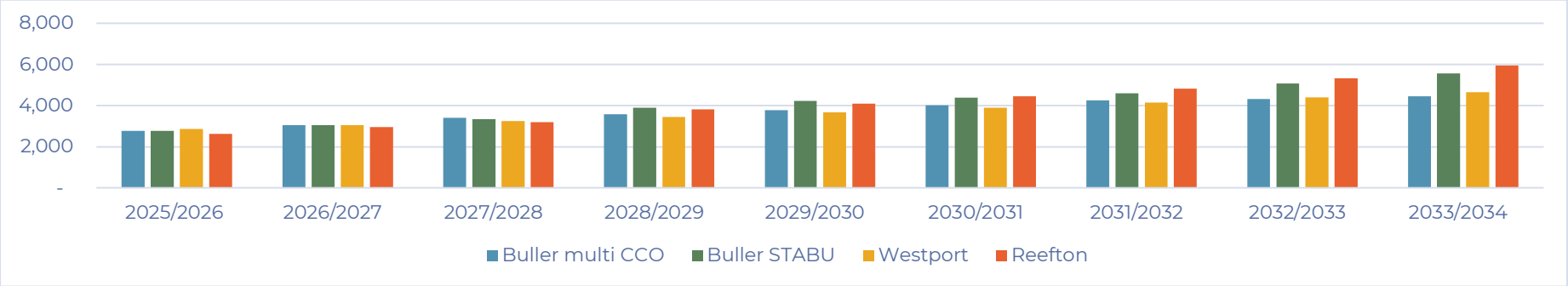
The early development of a WSCCO AMP will be vital in bringing together the overall requirements of each district. Whilst there will not be harmonisation, the overall capital programme will be reviewed for efficiency opportunities as well as for on-going deliverability and affordability constraints.

Having one WSCCO for the West Coast is also expected to enable increased focus specifically on three waters and operational efficiencies due to a larger group of water focused staff than in each individual Council.

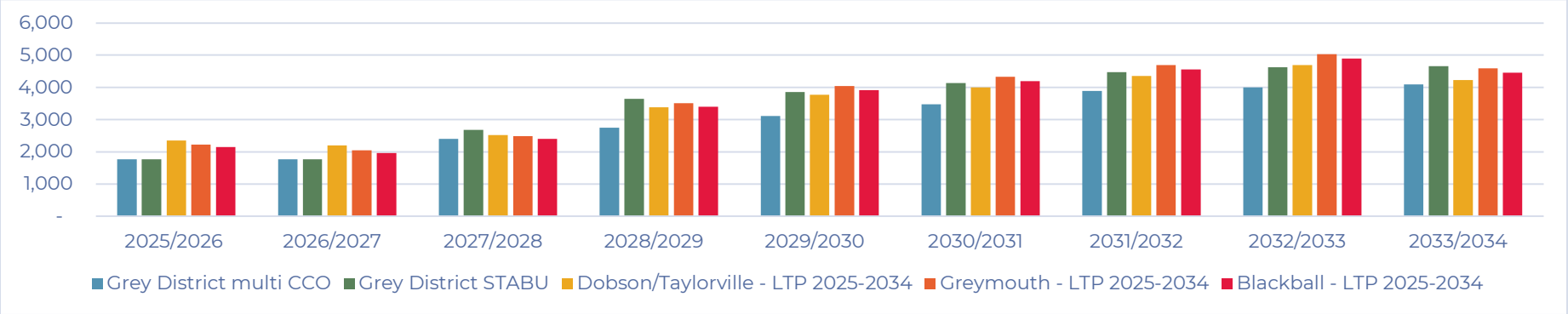
The charges proposed to be levied by the WSCCO from the 2027/2028 financial year onwards are either consistent with the level of proposed council targeted rates to June 2034 as per their 2025-2034 LTPs, or are lower. Either way rates or charges are lifting over the 10-year life of this plan, but the benefits of the WSCCO in terms of its ability to identify and implement cost efficiencies over a larger operation than any of the councils can by themselves, should realise efficiencies that pass through to reduce charges. The WSCCO also will be able to borrow at higher levels and at more attractive rates than the councils can currently.

The following graphs for each council area compare the proposed multi CCO charges, the Stand-Alone Business Unit and the council targeted rates from their LTP's.

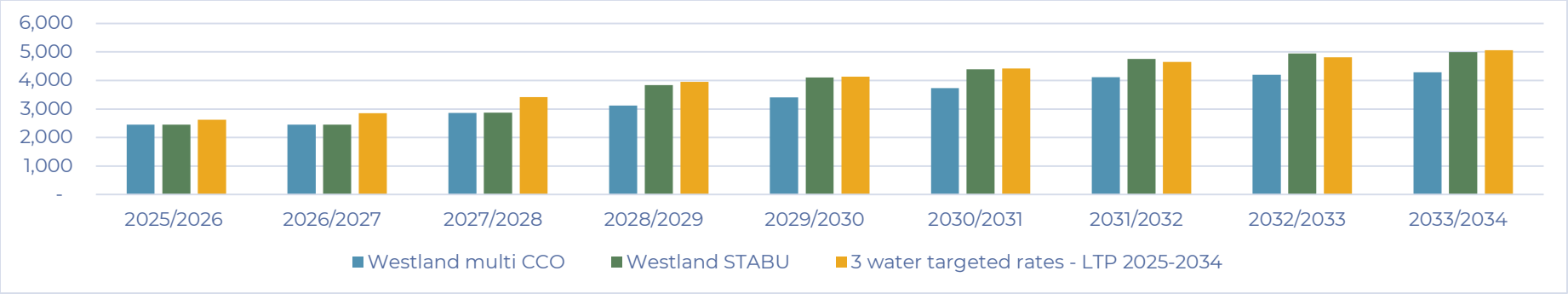
Comparison of Buller District - Multi CCO, Stand Alone Business Unit and targeted rates proposed to be levied in the 2025-2034 LTP



Comparison of Grey District - Multi CCP, Stand Alone Business Unit and targeted rates proposed to be levied in the 2025-2034 LTP



Comparison of Westland District - Multi CCO, Stand Alone Business Unit and targeted rates proposed to be levied in the 2025-2034 LTP



Risks and constraints to achieving financially sustainable delivery of water services

The risks and constraints are outlined in the Additional Information section.

Financial sustainability assessment - revenue sufficiency

Projected water services revenues cover the projected costs of delivering water services

The projected water services revenue and expenses over the period 2024-2034 is summarised below. The tables show the three years 2024/25 to 2026/27 for each council and for the WSCCO for the seven years 2027/28 to 2033/34. For Buller there is an operating surplus in the third year but where there is a deficit in the first and second years, an adjustment for depreciation being a “non-cash” item means that there is a cash surplus from operations.

Grey and Westland District Councils have deficits in all three years. Adjusting for depreciation as a “non-cash” does not always generate a cash surplus from operations.

All West Coast Councils will need to ensure that in the first 3-year period, they lift their rates income levels to ensure there is an operating surplus result.

The WSCCO generates an operating surplus from the second year. That surplus is driven by lifting charges by on average 10% every year for the first six years.

Buller DC

Projected water services revenue and expenses	FY24/25	FY25/26	FY26/27
Expenses (excl. depn, interest) ($000)	5,226	5,623	5,831
Interest costs ($000)	1,896	2,039	2,346
Depreciation ($000)	1,938	2,073	2,387
Revenue ($000)	8,038	8,650	10,653
Net surplus/(deficit) ($000)	(1,021)	(85)	87

Grey DC

Projected water services revenue and expenses	FY24/25	FY25/26	FY26/27
Expenses (excl. depn, interest) ($000)	2,843	8,021	8,309
Interest costs ($000)	1,426	1,165	1,525
Depreciation ($000)	4,504	5,450	6,193
Revenue ($000)	9,057	11,852	12,040
Net surplus/(deficit) ($000)	284	(2,784)	(3,987)

Westland DC

Projected water services revenue and expenses	FY24/25	FY25/26	FY26/27
Expenses (excl. depn, interest) ($000)	4,623	5,277	5,560
Interest costs ($000)	551	424	590
Depreciation ($000)	3,161	3,301	3,389
Revenue ($000)	8,329	9,158	9,704
Net surplus/(deficit) ($000)	(6)	156	165

WSCCO

WSCCO Projected water services revenue and expenses	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Expenses (excl. depn, interest) ($000)	22,108	22,106	22,193	22,018	21,910	21,822	22,008
Interest costs ($000)	5,181	6,536	7,466	8,261	9,172	9,843	10,296
Depreciation ($000)	10,447	11,074	12,159	12,542	12,925	14,135	14,618
Revenue ($000)	36,557	39,806	43,326	47,167	51,530	52,908	54,447
Net surplus/(deficit) ($000)	(1,180)	89	1,507	4,344	7,522	7,107	7,524

Average projected charges for water services over FY2024/25 to FY2033/34

The projected water services revenue and expenses over the period 2024-2034 is summarised below. The tables show the three years 2024/25 to 2026/27 for each council and seven years, 2027/28 to 2033/34 for the WSCCO.

Household incomes on the West Coast are much lower than the national average and vary across the three council areas significantly. The West Coast councils and the WSCCO are still required to deliver three waters services to a national standard to meet resident and tourist needs while endeavouring to keep three waters charges below 2.5% of the West Coast median household income.

This will be a challenge to achieve.

Buller DC

Projected average charge per connection including GST	FY24/25	FY25/26	FY26/27
Average drinking water bill (including GST) ($)	1,161	1,388	1,533
Average wastewater bill (including GST) ($)	997	1,193	1,317
Average stormwater bill (including GST) ($)	155	185	205
Average charge per connection including GST ($)	2,313	2,766	3,054
Projected median household income ($)	102,252	103,809	105,366
Water services charges as % of household income	2.3%	2.7%	2.9%

Grey DC

Projected average charge per connection including GST	FY24/25	FY25/26	FY26/27
Average drinking water bill (including GST) ($)	796	916	998
Average wastewater bill (including GST) ($)	719	826	900
Average stormwater bill (including GST) ($)	258	296	323
Average charge per connection including GST ($)	1,772	2,038	2,221
Projected median household income ($)	121,864	123,720	125,576
Water services charges as % of household income	1.5%	1.6%	1.8%

Westland DC

Projected average charge per connection including GST	FY24/25	FY25/26	FY26/27
Average drinking water bill (including GST) ($)	1,181	1,205	1,313
Average wastewater bill (including GST) ($)	570	582	634
Average stormwater bill (including GST) ($)	681	695	758
Average charge per connection including GST ($)	2,433	2,482	2,705
Projected median household income	103,841	106,437	109,098
Water services charges as % of household income	2.3%	2.3%	2.5%

WSCCO

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

Projected operating surpluses/(deficits) for water services

The projected water operating surplus ratio over the period 2024-2034 is summarised below. The tables show the three years 2024/25 to 2026/27 for each council and for the WSCCO for the seven years 2027/28 to 2033/34. This ratio is an indicator of whether operating revenue is sufficient to cover operating expenses. Where this ratio percentage is negative, this represents the percentage increase required for revenues to cover costs.

The three councils in the first three years are operating in deficit positions as is the proposed WSCCO in the first two years. Surplus' from operations are generated by the WSCCO from year 3. Annual surpluses and deficits generated in each council's three waters activities are held in the appropriate targeted rate account and any accumulated surplus/(deficit) in those accounts will be transferred to the WSCCO. Depreciation is recognised as an expense in the calculated annual surplus/(deficits) below.

Buller DC

Operating surplus ratio ($000)	FY24/25	FY25/26	FY26/27
Operating surplus/(deficit) excluding capital revenues	(1,021)	(85)	87
Total operating revenue	8,038	9,650	10,653
Operating surplus ratio	(12.7%)	(0.9%)	0.8%

Grey DC

Operating surplus ratio ($000)	FY24/25	FY25/26	FY26/27
Operating surplus/(deficit) excluding capital revenues	284	(2,785)	(3,987)
Total operating revenue	9,057	11,852	12,040
Operating surplus ratio	3.1%	(23.9%)	(33.1%)

Westland DC

Operating surplus ratio ($000)	FY24/25	FY25/26	FY26/27
Operating surplus/(deficit) excluding capital revenues	(6)	156	165
Total operating revenue	8,329	9,158	9,704
Operating surplus ratio	(0.1%)	1.7%	1.7%

WSCCO

Operating surplus ratio ($000)	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Operating surplus/(deficit) excluding capital revenues	(1,181)	89	1,507	4,345	7,523	7,108	7,525
Total operating revenue	36,557	39,807	43,326	47,167	51,531	52,909	54,448
Operating surplus ratio	(3.2%)	0.2%	3.5%	9.2%	14.6%	13.4%	13.8%

Projected operating cash surpluses for water services

The projected water operating cash surplus over the period 2024-2034 is summarised below. The tables show the three years 2024/25 to 2026/27 for each council and for the WSCCO for the seven years 2027/28 to 2033/34. This ratio is an indicator of whether cash surpluses are generated from operations to pay interest, fund investment and repay debt.

Buller is generating adequate revenue to create an operating surplus but both Grey and Westland District Councils need to consider lifts in their targeted rates. The WSCCO generates a surplus from the first year.

Any surplus generated by the council's will be part of the targeted rating account transfer to the WSCCO which will retain the transfer for future water services use.

Buller DC

Operating cash ratio	FY24/25	FY25/26	FY26/27
Operating surplus/(deficit) + depreciation + interest costs - capital revenue	2,812	4,027	4,822
Total operating revenue	8,038	9,650	10,653
Operating cash ratio	35.0%	41.7%	45.3%

Grey DC

Operating cash ratio	FY24/25	FY25/26	FY26/27
Operating surplus/(deficit) + depreciation + interest costs - capital revenue	6,214	3,831	3,731
Total operating revenue	9,057	11,852	12,040
Operating cash ratio	68.6%	32.3%	31.0%

Westland DC

Operating cash ratio	FY24/25	FY25/26	FY26/27
Operating surplus/(deficit) + depreciation + interest costs - capital revenue	3,706	3,725	4,144
Total operating revenue	8,329	9,158	9,704
Operating cash ratio	44.5%	40.7%	42.7%

WSCCO

Operating cash ratio	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Operating surplus/(deficit) + depreciation + interest costs - capital revenue	14,449	17,700	21,133	25,149	29,620	31,087	32,440
Total operating revenue	37,030	40,279	43,799	47,640	52,003	53,381	54,920
Operating cash ratio	39.0%	43.9%	48.3%	52.8%	57.0%	58.2%	59.1%

Financial sustainability assessment - investment sufficiency

Projected water services investment is sufficient to meet levels of service, regulatory requirements and provide for growth

The projected water services investment over the period 2024-2034 is summarised below. The tables show the three years 2024/25 to 2026/27 for each council and for the WSCCO for the seven years 2027/28 to 2033/34. Part B for each individual council outlines the capital programmes required to achieve investment sufficiency, which is expected to take 15 years. The renewals investment requirements are consistent with the long-term infrastructure strategy and asset/activity management plans for each Council. For Buller, the requirements in the AMP+ are outlined in the Infrastructure Strategy but spread over 15 instead of 30 years. Whilst this does not meet the requirement of infrastructure sufficiency in 10 years, the 15-year approach is considered to be more achievable and affordable for Buller residents.

As outlined in Part A, a review of the combined capital programme between the councils and the WSCCO will be required at the start of the implementation programme. This will re-assess each programme against legislative requirements, deliverability and affordability as well as ensuring it maximises delivery efficiencies as a combined programme. If required, achievable and affordable, there is headroom to increase the size of the WSCCO capital programme.

Buller DC

Projected water services investment requirements ($000)	FY24/25	FY25/26	FY26/27
To replace existing assets	6,333	6,816	7,771
To improve levels of service	1,633	5,783	8,981
To meet additional demand	0	0	0
Depreciation	1,938	2,073	2,390

Grey DC

Projected water services investment requirements ($000)	FY24/25	FY25/26	FY26/27
To replace existing assets	2,761	4,449	4,619
To improve levels of service	1,937	4,483	13,299
To meet additional demand	0	2,300	1,062
Depreciation	4,504	5,450	6,193

Westland DC

Projected water services investment requirements ($000)	FY24/25	FY25/26	FY26/27
To replace existing assets	1,814	3,123	3,341
To improve levels of service	4,677	3,597	13,843
To meet additional demand	800	0	0
Depreciation	3,161	3,301	3,389

WSCCO

Projected water services investment requirements ($000)	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
To replace existing assets	28,694	18,292	17,554	17,621	19,509	22,279	21,187
To improve levels of service	12,927	8,172	7,774	7,732	8,479	9,585	9,063
To meet additional demand	997	630	600	597	654	739	699
Depreciation	9,681	10,448	11,075	12,160	12,542	12,925	14,136

Renewals requirements for water services

The projected Asset Sustainability Ratio over the period 2024-2034 is summarised below. The tables show the three years 2024/25 to 2026/27 for each council and for the WSCCO for the seven years 2027/28 to 2033/34. Buller and Westland District Councils have investments in renewals to make over the initial 3-year period so have acceptable ratios. Grey District Council have limited investment during the 3-year period. Where the ratio is positive, this means that there is more projected renewals investment than projected depreciation. Westland District in the 2027/2028 financial year and the WSCCO in the 2028/2029 financial year ratios benefit from the significant investment of approximately $31 million to renew the Hokitika wastewater treatment plant.

Buller DC

Asset sustainability ratio ($000)	FY24/25	FY25/26	FY26/27
Capital expenditure on renewals	6,333	6,816	7,771
Depreciation	1,938	2,073	2,387
Asset sustainability ratio	226.8%	228.9%	225.1%

Grey DC

Asset sustainability ratio ($000)	FY24/25	FY25/26	FY26/27
Capital expenditure on renewals	2,761	4,449	4,619
Depreciation	4,504	5,450	6,193
Asset sustainability ratio	(38.7%)	(18.4%)	(25.4%)

Westland DC

Asset sustainability ratio ($000)	FY24/25	FY25/26	FY26/27
Capital expenditure on renewals	1,814	3,123	3,341
Depreciation	3,161	3,301	3,389
Asset sustainability ratio	(47.6%)	(5.4%)	(1.4%)

WSCCO

Asset sustainability ratio ($000)	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Capital expenditure on renewals	28,694	18,292	17,554	17,621	19,509	22,279	21,187
Depreciation	10,448	11,075	12,160	12,542	12,925	14,136	14,619
Asset sustainability ratio	174.6%	65.2%	44.4%	40.5%	50.9%	57.6%	44.9%

Total water services investment required over 10 years

The projected Asset Investment Ratio over the period 2024-2034 is summarised below. The tables show the three years 2024/25 to 2026/27 for each council and for the WSCCO for the seven years 2027/28 to 2033/34. This ratio compares total investment to projected depreciation. The three councils and the WSCCO are exceeding the 100% ration meaning they are investing in their infrastructure.

Buller DC

Asset investment ratio ($000)	FY24/25	FY25/26	FY26/27
Capital expenditure	7,966	12,716	17,107
Depreciation	1,938	2,073	2,387
Asset investment ratio	311.1%	513.5%	615.8%

Grey DC

Asset investment ratio ($000)	FY24/25	FY25/26	FY26/27
Capital expenditure	4,698	11,232	18,980
Depreciation	4,504	5,450	6,193
Asset investment ratio	4.3%	106.1%	206.0%

Westland DC

Asset investment ratio ($000)	FY24/25	FY25/26	FY26/27
Capital expenditure	7,291	6,720	17,184
Depreciation	3,161	3,301	3,389
Asset investment ratio	130.7%	103.6%	407.1%

WSCCO

Asset investment ratio ($000)	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Capital expenditure	42,618	27,094	25,928	25,950	28,642	32,603	30,950
Depreciation	10,448	11,075	12,160	12,542	12,925	14,136	14,619
Asset investment ratio	307.9%	144.6%	113.2%	106.9%	121.6%	130.6%	111.7%

Average remaining useful life of network assets

The projected Asset Consumption Ratio over the period 2024-2034 is summarised below. The tables show the three years 2024/25 to 2026/27 for each council and for the WSCCO for the seven years 2027/28 to 2033/34. This ratio compares the book value of water infrastructure assets to total replacement value of water infrastructure assets. The ratio percentage represents the average remaining useful life of network assets. If this ratio materially reduces over time, then this means that the burden on future consumers to replace network assets is increasing.

Buller DC

Asset consumption ratio ($000)	FY24/25	FY25/26	FY26/27
Book value of infrastructure assets	124,093	134,346	156,127
Total estimated replacement value of infrastructure assets	233,311	245,637	271,984
Asset consumption ratio	53.2%	54.7%	57.4%

Grey DC

Asset consumption ratio ($000)	FY24/25	FY25/26	FY26/27
Book value of infrastructure assets	217,597	224,463	253,307
Total estimated replacement value of infrastructure assets	399,698	434,125	453,015
Asset consumption ratio	54.4%	51.7%	55.9%

Westland DC

Asset consumption ratio ($000)	FY24/25	FY25/26	FY26/27
Book value of infrastructure assets	101,130	104,549	128,601
Total estimated replacement value of infrastructure assets	147,291	154,011	181,452
Asset consumption ratio	68.7%	67.9%	70.9%

WSCCO

Asset consumption ratio ($000)	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Book value of infrastructure assets	556,286	572,306	632,839	646,246	661,963	734,060	750,390
Total estimated replacement value of infrastructure assets	949,069	976,163	1,048,856	1,074,806	1,103,448	1,189,680	1,220,630
Asset consumption ratio	58.6%	58.6%	60.3%	60.1%	60.0%	61.7%	61.5%

Financial sustainability assessment - financing sufficiency

Confirmation that sufficient funding and financing can be secured to deliver water services

The West Coast Councils can meet all the debt/borrowing covenants with the LGFA when all income and all debt is included in the covenant calculations.

When excluding non-water services, the West Coast Councils cannot meet the sufficiency financing requirement for all three years (2024/2025 to 2026/2027):

- the LGFA 175% covenant of debt to income, and
- they do not have surplus debt headroom.

The West Coast Councils can meet the financial sufficiency requirements from 2027 following the transition into the WSCCO. The WSCCO has a debt to income covenant ranging from 421% in the 2027/2028 financial year to 402% in the 2023/2034 financial year and is thus well under the LGFA's 500% maximum.

Discussions (informally) with the LGFA indicate that the required levels of borrowings for the WSCCO can be sourced so the plan meets the 'financial sufficiency' test.

Projected council borrowings against borrowing limits

The projected council net debt to operating revenue over the period 2024-2034 is summarised below.

Buller DC

Projected council net debt to operating revenue	FY24/25	FY25/26	FY26/27
Total operating revenue ($000)	41,579	44,475	43,386
Net debt ($000)	34,996	44,473	45,603
Debt headroom to limit ($000)	22,404	12,927	11,797
Net debt to operating revenue (%)	84%	100%	105%
Borrowing limit ($000)	57,400	57,400	57,400

Grey DC

Projected council net debt to operating revenue	FY24/25	FY25/26	FY26/27
Total operating revenue ($000)	41,262	45,247	49,191
Net debt ($000)	34,469	51,199	67.258
Debt headroom to limit ($000)	37.739	27.983	18.826
Net debt to operating revenue (%)	84%	113%	137%
Borrowing limit (%)	175%	175%	175%

Westland DC

Projected council net debt to operating revenue	FY24/25	FY25/26	FY26/27
Total operating revenue ($000)	41,460	56,597	39,301
Net debt ($000)	30,685	34,330	53,348
Debt headroom to limit ($000)	42,045	64,715	15,429
Net debt to operating revenue (%)	74%	61%	136%
Borrowing limit (%)	175%	175%	175%

Projected water services borrowings against borrowing limits

The projected water services borrowing against borrowing limits over the period 2024-2034 is summarised below. The tables show the three years 2024/25 to 2026/27 for each council and for the WSCCO for the seven years 2027/28 to 2033/34.

All West Coast Councils breach the 175% maximum LGFA covenant when calculated for water services alone during the 3-year period.

If all council revenue is used against total council net borrowings, then the council are within the 175% maximum covenant level.

On the above debt calculations for water services, the 3 councils are not sustainable under the debt limits.

Buller DC

Projected water services investment requirements	FY24/25	FY25/26	FY26/27
Total operating revenue ($000)	8,038	9,650	10,653
Net debt ($000)	32,244	35,200	40,835
Debt headroom to limit ($000)	(18,177)	(18,312)	(22,192)
Net debt to operating revenue (%)	401%	365%	383%
Council borrowing limit (%)	175%	175%	175%

Grey DC

Projected water services net debt to operating revenue	FY24/25	FY25/26	FY26/27
Total operating revenue ($000)	9,057	11,851	12,039
Total net debt	19,130	27,097	43,286
Debt headroom to limit ($000)	(3,280)	(6,357)	(22,216)
Total net debt as a % of operating revenue	211%	229%	360%
Council borrowing limit (%)	175%	175%	175%

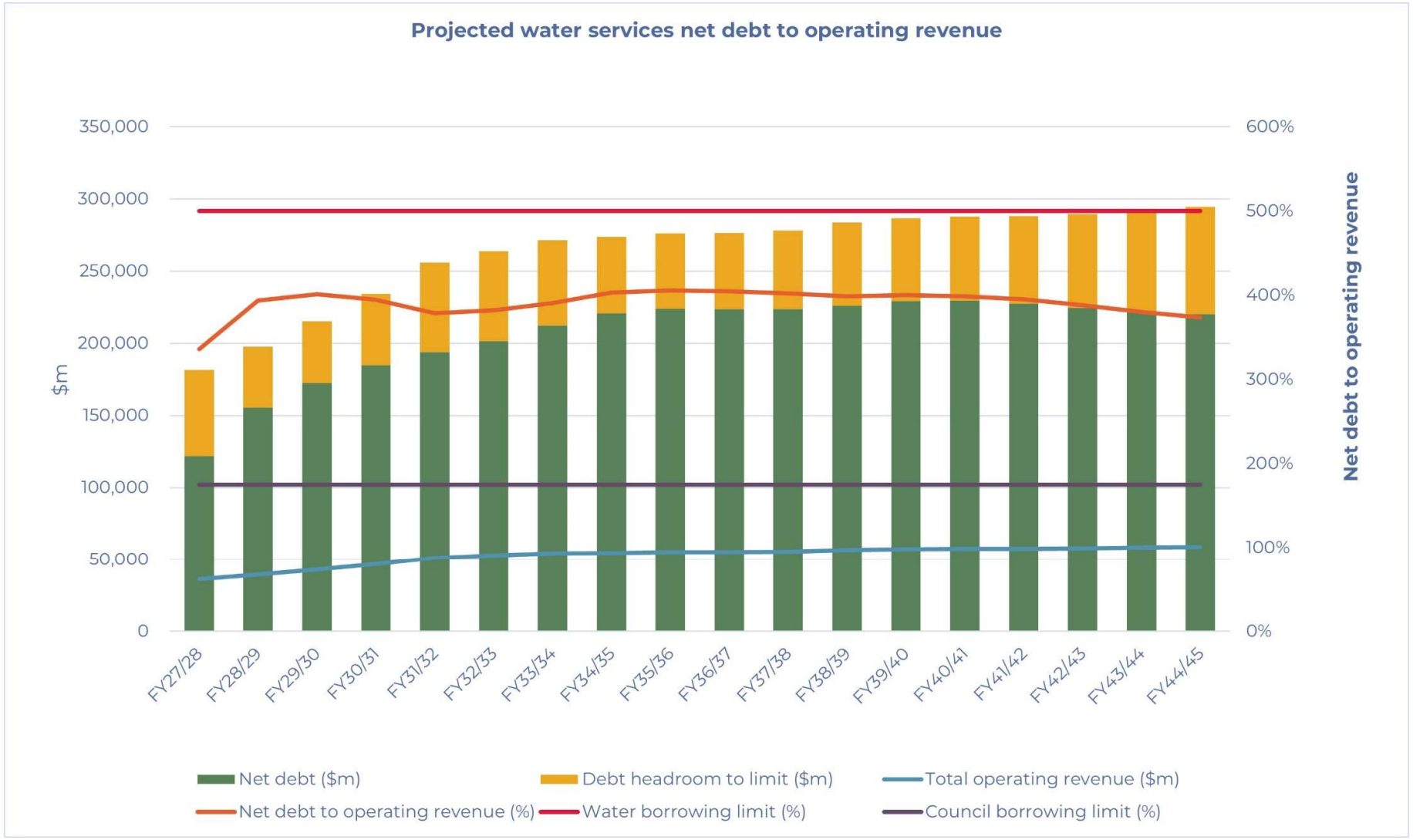
Westland DC

Projected water services net debt to operating revenue	FY24/25	FY25/26	FY26/27
Operating revenue	8,329	9,002	9,704
Total net debt	13,972	17,343	30,973
Debt headroom to limit ($000)	604	(1,590)	(13,992)
Total net debt as a % of operating revenue	168%	193%	319%
Council borrowing limit (%)	175%	175%	175%

WSCCO

The WSCCO borrowings profile is documented in the table below. The net debt is at a high of 429%, well under the 500% limit. A chart further below shows the 20-year forecast for borrowing, all within the 500% limit.

WSCCO Projected water services net debt to operating revenue	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Total operating revenue ($m)	36,557	39,807	43,326	47,167	51,531	52,909	54,448
Net debt ($m)	150,938	164,396	176,184	184,774	192,495	203,383	211,717
Debt headroom to limit ($m)	31,849	34,638	40,448	51,063	65,158	61,161	60,521
Net debt to operating revenue (%)	413%	413%	407%	392%	374%	384%	389%
Water borrowing limit (%)	500%	500%	500%	500%	500%	500%	500%
Council borrowing limit (%)	175%	175%	175%	175%	175%	175%	175%


Projected water services net debt to operating revenue
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Net debt to operating revenue
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FY39/40
FY40/41
FY41/42
FY42/43
FY43/44
FY44/45
Net debt ($m)
Debt headroom to limit ($m)
Total operating revenue ($m)
Net debt to operating revenue (%)
Water borrowing limit (%)
Council borrowing limit (%)

Projected borrowings for water services

The Net Debt to Operating Revenue measure over the period 2024-2034 is summarised below. The tables show the three years 2024/25 to 2026/27 for each council and for the WSCCO for the seven years 2027/28 to 2033/34.

The West Coast Councils exceed the LGFA current covenant of 175% maximum but stay within their all of council income to debt covenant.

Buller DC

Net debt to operating revenue ($000)	FY24/25	FY25/26	FY26/27
Total net debt	32,244	35,200	40,835
Operating revenue	8,038	9,650	10,653
Total net debt as a % of operating revenue	401%	365%	383%

Grey DC

Net debt to operating revenue ($000)	FY24/25	FY25/26	FY26/27
Total net debt	19,130	27,097	43,286
Operating revenue	9,057	11,851	12,039
Total net debt as a % of operating revenue	211%	229%	360%

Westland DC

Net debt to operating revenue ($000)	FY24/25	FY25/26	FY26/27
Total net debt	13,972	15,264	28,894
Operating revenue	8,329	9,158	9,704
Total net debt as a % of operating revenue	167%	167%	298%

WSCCO

Net debt to operating revenue ($000)	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Total net debt (gross debt less cash)	150,938	164,396	176,184	184,774	192,495	203,383	211,717
Operating revenue	36,557	39,807	43,326	47,167	51,531	52,909	54,448
Net debt to operating revenue	413%	413%	407%	392%	374%	384%	389%

Borrowing headroom/(shortfall) for water services

The Borrowing Headroom/(Shortfall) measure over the period 2024-2034 is summarised below. The tables show the three years 2024/25 to 2026/27 for each council and for the WSCCO for the seven years 2027/28 to 2033/34. This measure determines whether projected borrowings are within borrowing limits, as well as the ability to borrow for unforeseen events.

Buller District Council has a maximum net debt of $57.4 million for all debt is raises. Its current (June 2025) debt comprises of approximately 61% 3 waters and 39% corporate borrowing predominantly associated with holding company structure. It has a wider revenue stream to fund its current total borrowings but a much narrower revenue base to fund its three waters borrowings. As rates income/WSCCO charges lift in the coming years, the ratio of total revenue associated with three waters debt improves. Buller's net debt as a % of total revenue is under the 500% WSCCO LGFA level.

Grey District's exceeds the LGFA 175% debt to income covenant but remains under the 500% WSCCO LGFA level. It does not have any debt headroom available under the water services calculation.

Westland District also exceeds the LGFA 175% debt to income covenant but remains under the 500% WSCCO LGFA level. It does not have any debt headroom available under the water services calculation.

Buller DC

Borrowings headroom/(shortfall) against limit ($000)	FY24/25	FY25/26	FY26/27
Operating revenue ($000)	8,038	9,650	10,653
Debt to revenue limit ($000)	57,400	57,400	57,400
Maximum allowable net debt - at 175% covenant ($000)	14,067	16,888	18,643
Total net debt ($000)	32,244	35,200	40,835
Total net debt as a % of operating revenue	401%	365%	383%
Debt headroom based on 175% limit ($000)	(18,177)	(18,312)	(22,192)

Grey DC

Borrowings headroom/(shortfall) against limit ($000)	FY24/25	FY25/26	FY26/27
Operating revenue ($000)	8,797	10,537	12,039
Debt to revenue limit ($000)	175%	175%	175%
Maximum allowable net debt - at 175% covenant ($000)	15,850	20,740	21,069
Total net debt ($000)	19,130	27,097	43,286
Total net debt as a % of operating revenue	211%	229%	360%
Debt headroom based on 175% limit ($000)	(3,280)	(6,357)	(22,216)

Westland DC

Borrowings headroom/(shortfall) against limit ($000)	FY24/25	FY25/26	FY26/27
Operating revenue	8,329	9,158	9,704
Debt to revenue limit	175%	175%	175%
Maximum allowable net debt	14,576	16,026	16,983
Total net debt	13,972	17,343	30,974
Total net debt as a % of operating revenue	168%	193%	319%

WSCCO

Borrowings headroom/(shortfall) against limit ($000)	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Operating revenue	36,557	39,807	43,326	47,167	51,531	52,909	54,448
Debt to revenue limit	500%	500%	500%	500%	500%	500%	500%
Maximum allowable net debt	182,787	199,034	216,632	235,837	257,653	264,544	272,238
Total net debt	150,938	164,396	176,184	184,774	192,495	203,383	211,717
Borrowing headroom/ (shortfall) against limit	31,849	34,638	40,448	51,063	65,158	61,161	60,521

Free funds from operations

The Free Funds from Operations measure over the period 2024-2034 is summarised below. The tables for the three years 2024/25 to 2026/27 for each council and the WSCCO for seven years 2027/28 to 2033/34. The councils and WSCCO are achieving an appropriate ratio of 10%.

Buller DC

Free funds from operations (FFO) to debt ratio ($000)	FY24/25	FY25/26	FY26/27
Total net debt	32,244	35,200	40,835
Funds from operations	2,854	4,061	4,867
FFO to debt ratio	8.85%	11.54%	10.2%

Grey DC

Free funds from operations (FFO) to debt ratio ($000)	FY24/25	FY25/26	FY26/27
Total net debt	18,869	26,986	43,321
Funds from operations	4,788	2,666	2,206
FFO to debt ratio	25.4%	9.9%	5.1%

Westland DC

Free funds from operations (FFO) to debt ratio ($000)	FY24/25	FY25/26	FY26/27
Total net debt	13,972	17,344	30,974
Funds from operations	3,155	3,457	3,554
FFO to debt ratio	22.6%	19.0%	11.5%

WSCCO

Free funds from operations (FFO) to debt ratio ($000)	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Total net debt	150,938	164,396	176,184	184,774	192,495	203,383	211,717
Funds from Operations	9,267	11,164	13,667	16,887	20,448	21,243	22,143
FFO to debt ratio	6.1%	6.8%	7.8%	9.1%	10.6%	10.4%	10.5%

Part E:

Projected financial statements for water services

BULLER DISTRICT COUNCIL
Te Kaunihera O Kawatiri

MĀWHERA GREY DISTRICT COUNCIL

WESTLAND District Council | Te Kahui o Poutini

Part E: Projected financial statements for water services

Projected financial statements – for drinking water, wastewater, stormwater and combined water services

Summary

The financial statements for the West Coast councils and the WSCCO are attached below.

The decision by the West Coast Councils to transition three waters services to a WSCCO is supported by a number of reasons including that the financial position of the WSCCO provides a more appropriate service delivery model due to the WSCCO's ability to fund the significant lift in capital improvements required in the initial period of the WSCCO's operations via borrowings. This can be achieved within the various LFGA covenants being established for WSCCO's.

The West Coast Council's borrowings are limited by the LGFA's covenants that apply to councils and only their water activities. The specific covenants that can't be achieved relate to the net debt to operating income maximum level of 175% and debt headroom being exceeded.

Under either option of West Coast Councils' delivering services via a stand-alone business unit or WSCCO, rates (stand-alone business units) or charges (WSCCO) increase. This will be challenging for those on the west coast who have to pay and the WSCCO and the councils will have to be focused on what are priority work programmes.

Buller DC

Buller DC - Funding impact statement ($000) - Drinking water	FY24/25	FY25/26	FY26/27
Sources of operating funding			
General rates			
Targeted rates	4,145	5,121	5,279
Subsidies and grants for operating purposes			
Local authorities fuel tax, fines, infringement fees and other receipts			
Fees and charges	0	0	0
Total operating funding	**4,145**	**5,121**	**5,279**
Applications of operating funding			
Payments to staff and suppliers	1,331	1,937	1,952
Finance costs	1,382	1,366	1,446
Internal charges and overheads applied	361	476	508
Total applications of operating funding	3,074	3,779	3,906
Surplus/(deficit) of operating funding	1,071	1,341	1,373
Sources of capital funding			
Subsidies and grants for capital expenditure			
Development and financial contributions	0	0	0
Increase/(decrease) in debt	4,160	2,100	4,000
Total sources of capital funding	4,160	2,100	4,000

Applications of capital funding			
Capital expenditure - to meet additional demand	0	0	0
Capital expenditure - to improve levels of services	1,361	733	928
Capital expenditure - to replace existing assets	4,337	2,346	3,978
Increase/(decrease) in reserves			
Increase/(decrease) in investments			
Total applications of capital funding	5,699	3,079	4,905
Surplus/(deficit) of capital funding	(1,539)	(979)	(905)
Funding balance	(468)	363	467

Buller DC - Funding impact statement ($000) - Wastewater	**FY24/25**	**FY25/26**	**FY26/27**
Sources of operating funding			
General rates			
Targeted rates	2,848	3,260	4,103
Subsidies and grants for operating purposes			
Local authorities fuel tax, fines, infringement fees and other receipts			
Fees and charges	25	59	60
Total operating funding	2,873	3,319	4,164
Applications of operating funding			
Payments to staff and suppliers	2,403	2,022	2,090
Finance costs	430	478	532
Internal charges and overheads applied	543	625	690
Other operating funding applications			
Total applications of operating funding	3,375	3,125	3,312
Surplus/(deficit) of operating funding	(502)	194	852

Sources of capital funding			
Subsidies and grants for capital expenditure			
Development and financial contributions	500	1,657	414
Increase/(decrease) in debt	1,293	1,927	3,084
Gross proceeds from sales of assets			
Other dedicated capital funding			
Total sources of capital funding	1,793	3,584	3,498
Applications of capital funding			
Capital expenditure - to meet additional demand	0	0	0
Capital expenditure - to improve levels of services	272	0	0
Capital expenditure - to replace existing assets	1,805	3,720	3,041
Increase/(decrease) in reserves			
Increase/(decrease) in investments			
Total applications of capital funding	2,077	3,720	3,041
Surplus/(deficit) of capital funding	(1)	0	457
Funding balance	(503)	194	1,309

Buller DC - Funding impact statement ($000) - Stormwater	**FY24/25**	**FY25/26**	**FY26/27**
Sources of operating funding			
General rates	1,020	1,205	1,205
Targeted rates	0	0	0
Subsidies and grants for operating purposes			
Local authorities fuel tax, fines, infringement fees and other receipts			
Fees and charges		5	5
Total operating funding	1,020	1,210	1,211

Applications of operating funding			
Payments to staff and suppliers	377	279	286
Finance costs	85	195	368
Internal charges and overheads applied	210	284	305
Other operating funding applications			
Total applications of operating funding	672	758	959
Surplus/(deficit) of operating funding	348	452	252
Sources of capital funding			
Subsidies and grants for capital expenditure		5,050	8,052
Development and financial contributions		674	168
Increase/(decrease) in debt	255	0	1,000
Gross proceeds from sales of assets			
Other dedicated capital funding			
Total sources of capital funding	255	5,724	9,220
Applications of capital funding			
Capital expenditure - to meet additional demand			
Capital expenditure - to improve levels of services		5,050	8,053
Capital expenditure - to replace existing assets	191	750	752
Increase/(decrease) in reserves			
Increase/(decrease) in investments			
Total applications of capital funding	191	5,800	8,805
Surplus/(deficit) of capital funding			415
Funding balance	348	452	667

Buller DC - Funding impact statement ($000) - Total Water Services	FY24/25	FY25/26	FY26/27
Sources of operating funding			
General rates	1,020	1,205	1,205
Targeted rates	6,993	8,381	9,382
Subsidies and grants for operating purposes			
Local authorities fuel tax, fines, infringement fees and other receipts			
Fees and charges	25	64	66
Total operating funding	8,038	9,650	10,653
Applications of operating funding			
Payments to staff and suppliers	4,111	4,238	4,327
Finance costs	1,896	2,039	2,346
Internal charges and overheads applied	1,114	1,385	1,504
Other operating funding applications			
Total applications of operating funding	7,122	7,662	8,176
Surplus/(deficit) of operating funding	916	1,988	2,477
Sources of capital funding			
Subsidies and grants for capital expenditure		5,050	8,052
Development and financial contributions	500	2,331	582
Increase/(decrease) in debt	5,708	4,027	8,084
Gross proceeds from sales of assets			
Other dedicated capital funding			
Total sources of capital funding	6,208	11,408	16,718

Applications of capital funding			
Capital expenditure - to meet additional demand			
Capital expenditure - to improve levels of services	1,633	5,783	8,981
Capital expenditure - to replace existing assets	6,333	6,816	7,771
Increase/(decrease) in reserves			
Increase/(decrease) in investments			
Total applications of capital funding	7,966	12,599	16,751
Surplus/(deficit) of capital funding	(1,758)	(1,192)	(33)
Funding balance	(841)	796	2,443

Grey DC

Funding impact statement ($000) - Drinking water	FY24/25	FY25/26	FY26/27
Sources of operating funding			
General rates			
Targeted rates	3,648	4,390	3,717
Subsidies and grants for operating purposes			
Local authorities fuel tax, fines, infringement fees and other receipts			
Fees and charges	260	260	260
Total operating funding	3,908	4,650	3,577
Applications of operating funding			
Payments to staff and suppliers	1,595	2,209	2,240
Finance costs	422	447	605
Internal charges and overheads applied	(451)	443	488
Other operating funding applications			
Total applications of operating funding	1,566	3,099	3,333
Surplus/(deficit) of operating funding	2,342	1,551	644

Sources of capital funding			
Subsidies and grants for capital expenditure			
Development and financial contributions	20		
Increase/(decrease) in debt		3,507	8,061
Gross proceeds from sales of assets			
Other dedicated capital funding			
Total sources of capital funding	20	3,507	8,061
Applications of capital funding			
Capital expenditure - to meet additional demand	0	0	0
Capital expenditure - to improve levels of services	842	3,225	6,723
Capital expenditure - to replace existing assets	1,259	1,832	1,983
Increase/(decrease) in reserves	261		
Increase/(decrease) in investments			
Total applications of capital funding	2,362	5,057	8,706
Surplus/(deficit) of capital funding	(2,342)	(1,550)	(645)
Funding balance	0	1	(1)

Grey DC - Funding impact statement ($000) - Wastewater	**FY24/25**	**FY25/26**	**FY26/27**
Sources of operating funding			
General rates			
Targeted rates	3,428	4,281	4,084
Subsidies and grants for operating purposes			
Local authorities fuel tax, fines, infringement fees and other receipts			
Fees and charges	86	1,826	1,877
Total operating funding	3,514	6,107	5,961

Applications of operating funding			
Payments to staff and suppliers	1,445	3,725	3,829
Finance costs	661	610	740
Internal charges and overheads applied	210	365	402
Other operating funding applications			
Total applications of operating funding	2,316	4,700	4,971
Surplus/(deficit) of operating funding	1,198	1,407	990
Sources of capital funding			
Subsidies and grants for capital expenditure			
Development and financial contributions	60	350	350
Increase/(decrease) in debt		2,759	6,272
Gross proceeds from sales of assets			
Other dedicated capital funding			
Total sources of capital funding	60	3,109	6,622
Applications of capital funding			
Capital expenditure - to meet additional demand	0	2,300	1,062
Capital expenditure - to improve levels of services	818	433	5,249
Capital expenditure - to replace existing assets	440	1,482	1,300
Increase/(decrease) in reserves		300	
Increase/(decrease) in investments			
Total applications of capital funding	1,258	4,515	7,611
Surplus/(deficit) of capital funding	(1,198)	(1,406)	(989)
Funding balance	0	0	0

Grey DC - Funding impact statement ($000) - Stormwater	FY24/25	FY25/26	FY26/27
Sources of operating funding			
General rates	1,635	1,095	2,102
Targeted rates			
Subsidies and grants for operating purposes			
Local authorities fuel tax, fines, infringement fees and other receipts			
Fees and charges			
Total operating funding	1,635	1,095	2,102
Applications of operating funding			
Payments to staff and suppliers	610	992	1,035
Finance costs	343	108	180
Internal charges and overheads applied	(566)	287	315
Other operating funding applications			
Total applications of operating funding	387	1,387	1,530
Surplus/(deficit) of operating funding	1,248	(292)	572
Sources of capital funding			
Subsidies and grants for capital expenditure			
Development and financial contributions			
Increase/(decrease) in debt	91	1,652	1,741
Gross proceeds from sales of assets			
Other dedicated capital funding			
Total sources of capital funding	91	1,652	1,741

Applications of capital funding			
Capital expenditure - to meet additional demand			
Capital expenditure - to improve levels of services	277	825	1,326
Capital expenditure - to replace existing assets	1,062	1,135	1,336
Increase/(decrease) in reserves		(600)	(350)
Increase/(decrease) in investments			
Total applications of capital funding	1,339	1,360	2,312
Surplus/(deficit) of capital funding	(1,248)	292	(571)
Funding balance	0	0	1

Grey DC - Funding impact statement ($000) - Total Water Services	**FY24/25**	**FY25/26**	**FY26/27**
Sources of operating funding			
General rates	1,635	1,095	2,102
Targeted rates	7,076	8,671	7,801
Subsidies and grants for operating purposes	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
Fees and charges	346	2,086	2,137
Total operating funding	9,057	11,852	12,040
Applications of operating funding			
Payments to staff and suppliers	3,650	6,926	7,104
Finance costs	1,426	1,165	1,525
Internal charges and overheads applied	(807)	1,095	1,205
Other operating funding applications			
Total applications of operating funding	4,269	9,186	9,834
Surplus/(deficit) of operating funding	4,788	2,666	2,206

Sources of capital funding			
Subsidies and grants for capital expenditure			
Development and financial contributions	80	350	350
Increase/(decrease) in debt	91	7,918	16,074
Gross proceeds from sales of assets			
Other dedicated capital funding			
Total sources of capital funding	171	8,268	16,424
Applications of capital funding			
Capital expenditure - to meet additional demand		2,300	1,062
Capital expenditure - to improve levels of services	1,937	4,483	13,299
Capital expenditure - to replace existing assets	2,761	4,449	4,619
Increase/(decrease) in reserves	261	(300)	(350)
Increase/(decrease) in investments			
Total applications of capital funding	4,959	10,932	18,630
Surplus/(deficit) of capital funding	(4,788)	(2,644)	(2,706)
Funding balance	0	(1)	0

Westland DC

Funding impact statement ($000) - Drinking Water	FY24/25	FY25/26	FY26/27
Sources of operating funding			
General rates	137	209	215
Targeted rates	4,850	5,217	5,416
Subsidies and grants for operating purposes			
Local authorities fuel tax, fines, infringement fees and other receipts			
Fees and charges	33	32	33
Total operating funding	5,020	5,458	5,664
Applications of operating funding			
Payments to staff and suppliers	1,996	2,216	2,320
Finance costs	221	162	157
Internal charges and overheads applied	1,196	1,304	1,398
Other operating funding applications			
Total applications of operating funding	3,413	3,682	3,875
Surplus/(deficit) of operating funding	1,607	1,776	1,789
Sources of capital funding			
Subsidies and grants for capital expenditure		22	
Development and financial contributions			
Increase/(decrease) in debt	1,218	(327)	(401)
Gross proceeds from sales of assets			
Other dedicated capital funding			
Total sources of capital funding	1,218	(305)	(401)

Applications of capital funding			
Capital expenditure - to meet additional demand	800		
Capital expenditure - to improve levels of services	767	89	5
Capital expenditure - to replace existing assets	646	1,381	1,817
Increase/(decrease) in reserves	611		(433)
Increase/(decrease) in investments			
Total applications of capital funding	2,824	1,470	1,389
Surplus/(deficit) of capital funding	(1,606)	(1,775)	(1,790)
Funding balance	1	1	1

Funding impact statement ($000) - Wastewater	**FY24/25**	**FY25/26**	**FY26/27**
Sources of operating funding			
General rates	61	107	110
Targeted rates	2,026	2,117	2,454
Subsidies and grants for operating purposes			
Local authorities fuel tax, fines, infringement fees and other receipts	16		
Fees and charges	111	111	114
Total operating funding	2,214	2,335	2,678
Applications of operating funding			
Payments to staff and suppliers	669	816	846
Finance costs	213	160	266
Internal charges and overheads applied	306	333	357
Other operating funding applications			
Total applications of operating funding	1,188	1,309	1,469
Surplus/(deficit) of operating funding	1,026	1,026	1,209

Sources of capital funding			
Subsidies and grants for capital expenditure			
Development and financial contributions		26	
Increase/(decrease) in debt	2,956	2,229	13,248
Gross proceeds from sales of assets			
Other dedicated capital funding			
Total sources of capital funding	2,956	2,255	13,248
Applications of capital funding			
Capital expenditure - to meet additional demand			
Capital expenditure - to improve levels of services	3,190	2,626	13,775
Capital expenditure - to replace existing assets	538	611	402
Increase/(decrease) in reserves	254	44	(762)
Increase/(decrease) in investments			
Total applications of capital funding	3,982	3,281	13,415
Surplus/(deficit) of capital funding	(1,026)	(1,029)	(1,209)
Funding balance			

Funding impact statement ($000) - Stormwater	**FY24/25**	**FY25/26**	**FY26/27**
Sources of operating funding			
General rates		104	107
Targeted rates	1,095	1,105	1,255
Subsidies and grants for operating purposes			
Local authorities fuel tax, fines, infringement fees and other receipts			
Fees and charges			
Total operating funding	1,095	1,209	1,362

Applications of operating funding			
Payments to staff and suppliers	186	314	324
Finance costs	117	102	167
Internal charges and overheads applied	270	294	315
Other operating funding applications			
Total applications of operating funding	573	710	807
Surplus/(deficit) of operating funding	522	499	555
Sources of capital funding			
Subsidies and grants for capital expenditure			
Development and financial contributions		108	
Increase/(decrease) in debt	589	1,369	536
Gross proceeds from sales of assets			
Other dedicated capital funding			
Total sources of capital funding	589	1,477	536
Applications of capital funding			
Capital expenditure - to meet additional demand			
Capital expenditure - to improve levels of services	720	882	63
Capital expenditure - to replace existing assets	630	1,131	1,122
Increase/(decrease) in reserves	(239)	(38)	(93)
Increase/(decrease) in investments			
Total applications of capital funding	1,111	1,976	1,092
Surplus/(deficit) of capital funding	(522)	(499)	(556)
Funding balance			

Funding impact statement ($000) - Total Water Services	FY24/25	FY25/26	FY26/27
Sources of operating funding			
General rates	198	420	432
Targeted rates	7,971	8,439	9,125
Subsidies and grants for operating purposes			
Local authorities fuel tax, fines, infringement fees and other receipts	16		
Fees and charges	144	143	147
Total operating funding	8,329	9,002	9,704
Applications of operating funding			
Payments to staff and suppliers	2,851	3,346	3,490
Finance costs	551	424	590
Internal charges and overheads applied	1,772	1,931	2,070
Other operating funding applications			
Total applications of operating funding	5,174	5,701	6,151
Surplus/(deficit) of operating funding	3,155	3,301	3,554
Sources of capital funding			
Subsidies and grants for capital expenditure		22	
Development and financial contributions		134	
Increase/(decrease) in debt	4,763	3,271	13,383
Gross proceeds from sales of assets			
Other dedicated capital funding			
Total sources of capital funding	4,763	3,427	13,383

Applications of capital funding			
Capital expenditure - to meet additional demand	800		
Capital expenditure - to improve levels of services	4,677	3,597	13,843
Capital expenditure - to replace existing assets	1,814	3,123	3,141
Increase/(decrease) in reserves	626	7	(246)
Increase/(decrease) in investments	0	0	0
Total applications of capital funding	7,917	6,727	16,938
Surplus/(deficit) of capital funding	(3,154)	(3,300)	(3,555)
Funding balance	1	1	(1)

WSCCO

WSCCO Funding impact statement ($000) - Drinking Water	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Sources of operating funding							
General rates							
Charges	17,358	18,845	20,466	22,250	24,271	24,909	25,639
Subsidies and grants for operating purposes							
Local authorities fuel tax, fines, infringement fees and other receipts							
Fees and charges	42	44	45	46	47	48	49
Total operating funding	17,400	18,889	20,511	22,295	24,318	24,956	25,688
Applications of operating funding							
Payments to staff and suppliers	7,576	7,687	7,644	7,545	7,440	7,374	7,528
Finance costs	2,185	2,732	3,100	3,412	3,770	4,030	4,203
Internal charges and overheads applied	1,372	1,396	1,413	1,412	1,421	1,432	1,443
Other operating funding applications							
Total applications of operating funding	11,132	11,814	12,157	12,368	12,631	12,836	13,174
Surplus/(deficit) of operating funding	6,268	7,075	8,354	9,927	11,687	12,121	12,514
Sources of capital funding							
Subsidies and grants for capital expenditure							
Development and financial contributions	0	0	0	0	0	0	0
Increase/(decrease) in debt	14,233	7,106	5,051	3,683	3,234	4,373	3,503
Gross proceeds from sales of assets							
Other dedicated capital funding							
Total sources of capital funding	14,233	7,106	5,051	3,683	3,234	4,373	3,503

Applications of capital funding							
Capital expenditure - to meet additional demand	325	205	195	194	213	241	228
Capital expenditure - to improve levels of services	5,644	3,568	3,394	3,376	3,702	4,185	3,957
Capital expenditure - to replace existing assets	9,659	6,258	6,107	6,235	7,024	8,166	7,842
Increase/(decrease) in reserves							
Increase/(decrease) in investments							
Total applications of capital funding	15,628	10,031	9,696	9,805	10,939	12,591	12,027
Surplus/(deficit) of capital funding	(1,395)	(2,925)	(4,645)	(6,122)	(7,705)	(8,218)	(8,524)
Funding balance	4,873	4,149	3,709	3,805	3,982	3,903	3,990

Funding impact statement ($000) - Wastewater	**FY27/28**	**FY28/29**	**FY29/30**	**FY30/31**	**FY31/32**	**FY32/33**	**FY33/34**
Sources of operating funding							
General rates							
Charges	11,439	12,598	13,855	15,223	16,782	17,247	17,767
Subsidies and grants for operating purposes							
Local authorities fuel tax, fines, infringement fees and other receipts							
Fees and charges	2,630	2,687	2,742	2,799	2,856	2,914	2,970
Total operating funding	14,069	15,285	16,597	18,022	19,637	20,161	20,737
Applications of operating funding							
Payments to staff and suppliers	7,475	7,310	7,292	7,263	7,237	7,181	7,201
Finance costs	2,236	2,804	3,187	3,509	3,876	4,137	4,306
Internal charges and overheads applied	2,829	2,844	2,897	2,862	2,867	2,896	2,873
Other operating funding applications							
Total applications of operating funding	12,539	12,958	13,376	13,634	13,979	14,213	14,379
Surplus/(deficit) of operating funding	1,530	2,327	3,222	4,388	5,658	5,948	6,358

Sources of capital funding							
Subsidies and grants for capital expenditure							
Development and financial contributions	473	473	473	473	473	473	473
Increase/(decrease) in debt	14,565	7,294	5,193	3,788	3,325	4,489	3,589
Gross proceeds from sales of assets							
Other dedicated capital funding							
Total sources of capital funding	15,038	7,766	5,666	4,261	3,797	4,962	4,061
Applications of capital funding							
Capital expenditure - to meet additional demand	595	376	358	356	391	441	417
Capital expenditure - to improve levels of services	4,892	3,092	2,942	2,926	3,208	3,627	3,430
Capital expenditure - to replace existing assets	11,529	7,288	6,933	6,896	7,562	8,548	8,083
Increase/(decrease) in reserves							
Increase/(decrease) in investments							
Total applications of capital funding	17,016	10,757	10,233	10,178	11,161	12,616	11,930
Surplus/(deficit) of capital funding	(1,978)	(2,991)	(4,568)	(5,917)	(7,363)	(7,655)	(7,869)
Funding balance	(449)	(663)	(1,346)	(1,530)	(1,706)	(1,707)	(1,511)

Funding impact statement ($000) - Stormwater	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Sources of operating funding							
General rates							
Charges	5,082	5,626	6,211	6,843	7,568	7,784	8,014
Subsidies and grants for operating purposes							
Local authorities fuel tax, fines, infringement fees and other receipts							
Fees and charges	7	7	7	7	8	8	8
Total operating funding	5,089	5,633	6,218	6,850	7,575	7,792	8,022
Applications of operating funding							
Payments to staff and suppliers	1,832	1,831	1,891	1,883	1,885	1,871	1,892

Finance costs	761	1,000	1,179	1,341	1,526	1,677	1,788
Internal charges and overheads applied	1,026	1,040	1,056	1,054	1,061	1,069	1,072
Other operating funding applications							
Total applications of operating funding	3,619	3,871	4,126	4,278	4,472	4,617	4,751
Surplus/(deficit) of operating funding	1,469	1,762	2,092	2,572	3,103	3,175	3,271
Sources of capital funding							
Subsidies and grants for capital expenditure	3,900	2,000					
Development and financial contributions	0	0	0	0	0	0	0
Increase/(decrease) in debt	4,959	2,601	1,922	1,447	1,309	1,820	1,490
Gross proceeds from sales of assets							
Other dedicated capital funding							
Total sources of capital funding	8,859	4,601	1,922	1,447	1,309	1,820	1,490
Applications of capital funding							
Capital expenditure - to meet additional demand	77	49	47	46	51	57	54
Capital expenditure - to improve levels of services	2,392	1,512	1,438	1,431	1,569	1,773	1,677
Capital expenditure - to replace existing assets	7,506	4,745	4,514	4,490	4,923	5,565	5,262
Increase/(decrease) in reserves							
Increase/(decrease) in investments							
Total applications of capital funding	9,975	6,306	5,999	5,966	6,542	7,396	6,993
Surplus/(deficit) of capital funding	(1,116)	(1,705)	(4,077)	(4,519)	(5,233)	(5,576)	(5,503)
Funding balance	354	57	(1,985)	(1,947)	(2,130)	(2,401)	(2,232)

WSCCO Funding impact statement ($000) - Combined Water Services	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Sources of operating funding							
General rates	0	0	0	0	0	0	0
Charges	33,878	37,069	40,532	44,316	48,621	49,940	51,421
Subsidies and grants for operating purposes	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0
Fees and charges	2,679	2,738	2,794	2,852	2,910	2,969	3,027
Total operating funding	36,557	39,807	43,326	47,167	51,531	52,909	54,448
Applications of operating funding							
Payments to staff and suppliers	16,882	16,827	16,827	16,691	16,561	16,425	16,620
Finance costs	5,181	6,536	7,466	8,262	9,172	9,843	10,296
Internal charges and overheads applied	5,226	5,280	5,366	5,328	5,349	5,397	5,388
Other operating funding applications	0	0	0	0	0	0	0
Total applications of operating funding	27,290	28,643	29,659	30,280	31,082	31,666	32,304
Surplus/(deficit) of operating funding	9,267	11,164	13,667	16,887	20,448	21,243	22,143
Sources of capital funding							
Subsidies and grants for capital expenditure	3,900	2,000	0	0	0	0	0
Development and financial contributions	473	473	473	473	473	473	473
Increase/(decrease) in debt	33,757	17,001	12,166	8,918	7,867	10,682	8,581
Gross proceeds from sales of assets	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0
Total sources of capital funding	38,130	19,473	12,639	9,391	8,340	11,155	9,054

Applications of capital funding							
Capital expenditure - to meet additional demand	997	630	600	597	654	739	699
Capital expenditure - to improve levels of services	12,927	8,172	7,774	7,732	8,479	9,585	9,063
Capital expenditure - to replace existing assets	28,694	18,292	17,554	17,621	19,509	22,279	21,187
Increase/(decrease) in reserves	0	0	0	0	0	0	0
Increase/(decrease) in investments	0	0	0	0	0	0	0
Total applications of capital funding	42,618	27,094	25,928	25,950	28,642	32,603	30,950
Surplus/(deficit) of capital funding	(4,489)	(7,621)	(13,289)	(16,559)	(20,302)	(21,448)	(21,896)
Funding balance	4,779	3,543	378	328	146	(205)	247

Projected statement of comprehensive revenue and expense

Buller DC

Buller DC - Statement of comprehensive revenue and expense ($000) - Drinking water	FY24/25	FY25/26	FY26/27
Operating revenue	4,145	5,121	5,279
Other revenue	0	0	0
Total revenue	4,145	5,121	5,279
Operating expenses	1,331	1,937	1,952
Finance costs	1,382	1,366	1,446
Overheads and support costs	361	476	508
Depreciation & amortisation	944	1,048	1,189
Total expenses	4,019	4,827	5,095
Net surplus / (deficit)	126	294	184
Revaluation of infrastructure assets	0	0	5,919
Total comprehensive income	126	294	6,102
Surplus / (deficit) from operations	1,071	1,341	1,373

Buller DC - Statement of comprehensive revenue and expense ($000) – Wastewater	FY24/25	FY25/26	FY26/27
Operating revenue	2,873	3,319	4,164
Other revenue	500	1,657	414
Total revenue	3,373	4,976	4,578
Operating expenses	2,403	2,022	2,090
Finance costs	430	478	532
Overheads and support costs	543	625	690
Depreciation & amortisation	689	719	821
Total expenses	4,064	3,844	4,132
Net surplus / (deficit)	(691)	1,132	445
Revaluation of infrastructure assets			2,176
Total comprehensive income	(691)	1,132	2,621
Surplus / (deficit) from operations	(2)	1,851	1,266

Buller DC - Statement of comprehensive revenue and expense ($000) - Stormwater	FY24/25	FY25/26	FY26/27
Operating revenue	1,020	1,210	1,211
Other revenue		5,724	8,220
Total revenue	1,020	6,934	9,411
Operating expenses	377	279	286
Finance costs	85	195	368
Overheads and support costs	210	284	305
Depreciation & amortisation	304	306	380
Total expenses	976	1,064	1,339
Net surplus / (deficit)	44	5,870	8,092
Revaluation of infrastructure assets	0	0	1,507
Total comprehensive income	44	5,870	9,599
Surplus / (deficit) from operations	348	6,176	8,742

Buller DC - Statement of comprehensive revenue and expense ($000) - all water	FY24/25	FY25/26	FY26/27
Operating revenue	8,038	9,650	10,653
Other revenue	500	7,381	8,634
Total revenue	8,538	17,031	19,287
Operating expenses	4,111	4,238	4,327
Finance costs	1,896	2,039	2,346
Overheads and support costs	1,114	1,385	1,504
Depreciation & amortisation	1,938	2,073	2,390
Total expenses	9,059	9,735	10,566
Net surplus / (deficit)	(521)	7,296	8,721
Revaluation of infrastructure assets	0	0	9,601
Total comprehensive income	(521)	7,296	18,322
Surplus / (deficit) from operations	1,416	9,369	11,111

Grey DC

Grey DC - Statement of comprehensive revenue and expense ($000) - Drinking Water	FY24/25	FY25/26	FY26/27
Operating revenue	3,908	4,650	3,977
Other revenue	20		
Total revenue	3,928	4,650	3,977
Operating expenses	1,595	2,209	2,240
Finance costs	422	447	605
Overheads and support costs	(451)	443	488
Depreciation & amortisation	1,460	1,544	1,788
Total expenses	3,026	4,643	5,121
Net surplus / (deficit)	902	7	(1,144)
Revaluation of infrastructure assets		5,657	
Total comprehensive income	902	5664	(1,144)
Cash surplus / (deficit) from operations (excl depreciation)	2,362	1,551	644

Grey DC - Statement of comprehensive revenue and expense ($000) – Wastewater	FY24/25	FY25/26	FY26/27
Operating revenue	3,514	6,107	5,961
Other revenue	60	350	350
Total revenue	3,574	8,457	6,311
Operating expenses	1,445	3,725	3,829
Finance costs	661	610	740
Overheads and support costs	210	365	402
Depreciation & amortisation	1,790	2,250	2,547
Total expenses	4,106	5,950	7,518
Net surplus / (deficit)	(532)	(494)	(1,207)
Revaluation of infrastructure assets		11,556	
Total comprehensive income	(532)	11,063	(1,207)
Cash surplus / (deficit) from operations (excl depreciation)	1,258	1,757	1,340

Grey DC - Statement of comprehensive revenue and expense ($000) – Storm Water	FY24/25	FY25/26	FY26/27
Operating revenue	1,635	1,095	2,102
Other revenue			
Total revenue	1,635	1,095	2,102
Operating expenses	610	992	1,035
Finance costs	343	108	180
Overheads and support costs	(566)	287	315
Depreciation & amortisation	1,254	1,656	1,858
Total expenses	1,641	3,043	3,388
Net surplus / (deficit)	(6)	(1,948)	(1,286)
Revaluation of infrastructure assets		6,081	
Total comprehensive income	(6)	4,133	(1,286)
Cash surplus / (deficit) from operations (excl depreciation)	1,248	(292)	572

Grey DC - Statement of comprehensive revenue and expense ($000) - Total Water Services	FY24/25	FY25/26	FY26/27
Operating revenue	9,057	11,852	12,040
Other revenue	80	350	350
Total revenue	9,137	12,202	12,390
Operating expenses	3,650	6,926	7,104
Finance costs	1,426	1,165	1,525
Overheads and support costs	(807)	1,095	1,205
Depreciation & amortisation	4,504	5,450	6,193
Total expenses	8,773	14,636	16,027
Net surplus / (deficit)	364	(2,435)	(3,637)
Revaluation of infrastructure assets		23,294	
Total comprehensive income	364	20,860	(3,637)
Cash surplus / (deficit) from operations (excl depreciation)	4,808	3,016	2,556

Westland DC

Statement of comprehensive revenue and expense ($000) - Drinking Water	FY24/25	FY25/26	FY26/27
Operating revenue	5,020	5,458	5,664
Other revenue		22	
Total revenue	5,020	5,480	5,664
Operating expenses	1,996	2,296	2,320
Finance costs	221	162	157
Overheads and support costs	1,196	1,304	1,398
Depreciation & amortisation	1,630	1,775	1,789
Total expenses	5,043	5,457	5,664
Net surplus / (deficit)	(23)	23	0
Revaluation of infrastructure assets	0	0	1,609
Total comprehensive income	(23)	23	1,609
Cash surplus / (deficit) from operations (excl depreciation)	1,607	1,798	1,789

Statement of comprehensive revenue and expense ($000) - Wastewater	FY24/25	FY25/26	FY26/27
Operating revenue	2,214	2,335	2,678
Other revenue	0	26	0
Total revenue	2,214	2,361	2,678
Operating expenses	669	816	845
Finance costs	213	160	266
Overheads and support costs	306	333	357
Depreciation & amortisation	1,009	1,026	1,044
Total expenses	2,197	2,335	2,513
Net surplus / (deficit)	17	26	165
Revaluation of infrastructure assets			6,827
Total comprehensive income	17	26	6,993
Cash surplus / (deficit) from operations (excl depreciation)	1,026	1,052	1,209

Statement of comprehensive revenue and expense ($000) - Stormwater	FY24/25	FY25/26	FY26/27
Operating revenue	1,095	1,209	1,362
Other revenue			
Total revenue	1,095	1,209	1,362
Operating expenses	186	314	324
Finance costs	117	102	167
Overheads and support costs	270	294	315
Depreciation & amortisation	522	500	556
Total expenses	1,095	1,210	1,362
Net surplus / (deficit)	0	(1)	
Revaluation of infrastructure assets	0	0	1,820
Total comprehensive income	0	(1)	1,820
Cash surplus / (deficit) from operations (excl depreciation)	522	499	555

Statement of comprehensive revenue and expense ($000) - Total Water Services	FY24/25	FY25/26	FY26/27
Operating revenue	8,329	9,002	9,704
Other revenue		156	
Total revenue	8,329	9,158	9,704
Operating expenses	2,851	3,346	3,490
Finance costs	551	424	590
Overheads and support costs	1,772	1,931	2,070
Depreciation & amortisation	3,161	3,301	3,389
Total expenses	8,335	9,002	9,539
Net surplus / (deficit)	(6)	156	165
Revaluation of infrastructure assets	0	0	10,257
Total comprehensive income	(6)	156	10,422
Cash surplus / (deficit) from operations (excl depreciation)	3,155	3,457	3,554

WSCCO

WSCCO Statement of comprehensive revenue and expense ($000) - Drinking Water	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Operating revenue	17,400	18,889	20,511	22,295	24,318	24,956	25,688
Other revenue							
Total revenue	17,400	18,889	20,511	22,295	24,318	24,956	25,688
Operating expenses	7,576	7,687	7,644	7,545	7,440	7,374	7,528
Finance costs	2,185	2,732	3,100	3,412	3,770	4,030	4,203
Overheads and support costs	1,372	1,396	1,413	1,412	1,421	1,432	1,443
Depreciation & amortisation	3,922	4,206	4,692	4,869	5,047	5,595	5,824
Total expenses	15,054	16,020	16,850	17,237	17,678	18,431	18,998
Net surplus / (deficit)	2,346	2,869	3,661	5,059	6,640	6,525	6,690
Revaluation of infrastructure assets	0	0	19,416	0	0	21,956	0
Total comprehensive income	2,346	2,869	23,077	5,059	6,640	28,481	6,690

Statement of comprehensive revenue and expense ($000) - Wastewater	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Operating revenue	14,069	15,285	16,597	18,022	19,637	20,161	20,737
Other revenue	473	473	473	473	473	473	473
Total revenue	14,541	15,758	17,070	18,494	20,110	20,633	21,210
Operating expenses	7,475	7,310	7,292	7,263	7,237	7,181	7,201
Finance costs	2,236	2,804	3,187	3,509	3,876	4,137	4,306
Overheads and support costs	2,829	2,844	2,897	2,862	2,867	2,896	2,873
Depreciation & amortisation	4,211	4,455	4,879	5,025	5,171	5,640	5,820
Total expenses	16,751	17,413	18,255	18,659	19,150	19,853	20,200
Net surplus / (deficit)	(2,209)	(1,655)	(1,185)	(165)	960	780	1,010
Revaluation of infrastructure assets	0	0	19,961	0	0	22,538	0
Total comprehensive income	(2,209)	(1,655)	18,777	(165)	960	23,318	1,010
Cash surplus / (deficit) from operations (excl depreciation)	2,002	2,800	3,694	4,860	6,130	6,420	6,831

Statement of comprehensive revenue and expense ($000) - Stormwater	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Operating revenue	5,089	5,633	6,218	6,850	7,575	7,792	8,022
Other revenue	3,900	2,000					
Total revenue	8,989	7,633	6,218	6,850	7,575	7,792	8,022
Operating expenses	1,832	1,831	1,891	1,883	1,885	1,871	1,892
Finance costs	761	1,000	1,179	1,341	1,526	1,677	1,788
Overheads and support costs	1,026	1,040	1,056	1,054	1,061	1,069	1,072
Depreciation & amortisation	2,315	2,414	2,588	2,648	2,708	2,901	2,975
Total expenses	5,934	6,285	6,715	6,926	7,180	7,517	7,726
Net surplus / (deficit)	3,055	1,348	(496)	(76)	395	274	297
Revaluation of infrastructure assets	0	0	7,387	0	0	9,136	0
Total comprehensive income	3,055	1,348	6,891	(76)	395	9,410	297
Cash surplus / (deficit) from operations (excl depreciation)	5,369	3,762	2,092	2,572	3,103	3,175	3,271

WSCCO Statement of comprehensive revenue and expense ($000) - Combined Water Services	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Operating revenue	36,557	39,807	43,326	47,167	51,531	52,909	54,448
Other revenue	4,373	2,473	473	473	473	473	473
Total revenue	40,930	42,279	43,799	47,640	52,003	53,381	54,920
Operating expenses	16,882	16,827	16,827	16,691	16,561	16,425	16,620
Finance costs	5,181	6,536	7,466	8,262	9,172	9,843	10,296
Overheads and support costs	5,226	5,280	5,366	5,328	5,349	5,397	5,388
Depreciation & amortisation	10,448	11,075	12,160	12,542	12,925	14,136	14,619
Total expenses	37,738	39,718	41,819	42,823	44,008	45,801	46,923
Net surplus / (deficit)	3,192	2,562	1,980	4,817	7,995	7,580	7,997
Revaluation of infrastructure assets	0	0	46,765	0	0	53,629	0
Total comprehensive income	3,192	2,562	48,745	4,817	7,995	61,209	7,997
Cash surplus / (deficit) from operations (excl depreciation)	13,640	13,636	14,140	17,360	20,921	21,716	22,616

Projected statement of cashflows

Buller DC

Buller DC - Statement of cashflows ($000) - Drinking water	FY24/25	FY25/26	FY26/27
Cashflows from operating activities			
Receipts	4,145	5,121	5,279
Payments	3,074	3,779	3,906
Net cashflows from operating activities	1,071	1,341	1,373
Cashflows from investment activities			
Other items			
Capital expenditure	5,230	2,984	4,802
Net cashflows from investment activities	(5,230)	(2,984)	(4,802)
Cashflows from financing activities			
New borrowings	4,160	2,100	4,000
Repayment of borrowings			
Net cashflows from financing activities	4,160	2,100	4,000
Net increase/(decrease) in cash and cash equivalents		457	571
Cash and cash equivalents at beginning of year			457
Cash and cash equivalents at end of year		457	1,028

Buller DC - Statement of cashflows ($000) - Wastewater	FY24/25	FY25/26	FY26/27
Cashflows from operating activities			
Receipts	3,373	4,976	4,578
Payments	3,375	3,125	3,312
Net cashflows from operating activities	(2)	1,851	1,266
Cashflows from investment activities			
Other items			
Capital expenditure	1,906	3,606	2,977
Net cashflows from investment activities	(1,906)	(3,606)	(2,977)
Cashflows from financing activities			
New borrowings	1,293	1,927	3,084
Repayment of borrowings			
Net cashflows from financing activities	1,293	1,927	3,084
Net increase/(decrease) in cash and cash equivalents	(615)	172	1,373
Cash and cash equivalents at beginning of year		(615)	(443)
Cash and cash equivalents at end of year	(615)	(443)	930

Buller DC - Statement of cashflows ($000) - Stormwater	FY24/25	FY25/26	FY26/27
Cashflows from operating activities			
Receipts	1,020	6,934	9,431
Payments	672	758	959
Net cashflows from operating activities	348	6,176	8,472
Cashflows from investment activities			
Other items			
Capital expenditure	175	5,735	8,968
Net cashflows from investment activities	(175)	(5,735)	(8,968)

Cashflows from financing activities			
New borrowings	255		1,000
Repayment of borrowings			
Net cashflows from financing activities	255		1,000
Net increase/(decrease) in cash and cash equivalents	428	442	505
Cash and cash equivalents at beginning of year		428	870
Cash and cash equivalents at end of year	428	870	1,375

Buller DC - Statement of cashflows ($000) - Total Water Services	**FY24/25**	**FY25/26**	**FY26/27**
Cashflows from operating activities			
Receipts	8,538	17,031	19,287
Payments	7,122	7,662	8,176
Net cashflows from operating activities	1,416	9,369	11,111
Cashflows from investment activities			
Other items			
Capital expenditure	7,311	12,325	16,746
Net cashflows from investment activities	(7,311)	(12,325)	(16,746)
Cashflows from financing activities			
New borrowings	5,708	4,027	8,084
Repayment of borrowings			
Net cashflows from financing activities	5,708	4,027	8,084
Net increase/(decrease) in cash and cash equivalents	(187)	1,070	2,449
Cash and cash equivalents at beginning of year	0	(187)	884
Cash and cash equivalents at end of year	(187)	884	3,332

Grey DC

Grey DC - Statement of cashflows ($000) - Drinking Water	FY24/25	FY25/26	FY26/27
Cashflows from operating activities			
Receipts	3,928	4,650	3,977
Payments	1,566	3,099	3,333
Net cashflows from operating activities	2,362	1,551	644
Cashflows from investment activities			
Other items			
Capital expenditure	2,101	5,057	8,706
Net cashflows from investment activities	(2,101)	(5,857)	(8,706)
Cashflows from financing activities			
New borrowings		3,507	8,061
Repayment of borrowings			
Net cashflows from financing activities		3,507	8,061
Net increase/(decrease) in cash and cash equivalents	261	1	(1)
Cash and cash equivalents at beginning of year	0	261	262
Cash and cash equivalents at end of year	261	262	261

Grey DC - Statement of cashflows ($000) - Wastewater	FY24/25	FY25/26	FY26/27
Cashflows from operating activities			
Receipts	3,545	6,287	6,134
Payments	2,316	4,700	4,971
Net cashflows from operating activities	1,220	1,587	1,163
Cashflows from investment activities			
Other items			
Capital expenditure	1,258	4,215	7,611
Net cashflows from investment activities	(1,258)	(4,215)	(7,611)
Cashflows from financing activities			
New borrowings		2,759	6,272
Repayment of borrowings			
Net cashflows from financing activities		2,759	6,272
Net increase/(decrease) in cash and cash equivalents	(29)	131	(177)
Cash and cash equivalents at beginning of year	0	(29)	102
Cash and cash equivalents at end of year	(29)	102	(751)

Grey DC - Statement of cashflows ($000) - Stormwater	FY24/25	FY25/26	FY26/27
Cashflows from operating activities			
Receipts	1,635	1,095	2,102
Payments	387	1,387	1,530
Net cashflows from operating activities	1,248	(292)	572
Cashflows from investment activities			
Other items			
Capital expenditure	1,339	1,860	2,573
Net cashflows from investment activities	(1,339)	(1,860)	(2,573)

Cashflows from financing activities			
New borrowings	91	1,652	1,741
Repayment of borrowings			
Net cashflows from financing activities	91	1,652	1,741
Net increase/(decrease) in cash and cash equivalents		(500)	(260)
Cash and cash equivalents at beginning of year			(500)
Cash and cash equivalents at end of year		(500)	(760)

Grey DC - Statement of cashflows ($000) - Total Water Services	**FY24/25**	**FY25/26**	**FY26/27**
Cashflows from operating activities			
Receipts	9,137	12,202	12,390
Payments	4,269	9,186	9,834
Net cashflows from operating activities	4,868	3,016	2,556
Cashflows from investment activities			
Other items			
Capital expenditure	4,698	11,133	18,890
Net cashflows from investment activities	(4,698)	(11,133)	(18,890)
Cashflows from financing activities			
New borrowings	91	7,918	16,074
Repayment of borrowings			
Net cashflows from financing activities	91	7,918	16,074
Net increase/(decrease) in cash and cash equivalents	261	(199)	(261)
Cash and cash equivalents at beginning of year		261	62
Cash and cash equivalents at end of year	261	62	(199)

Westland DC

Statement of cashflows ($000) - Drinking Water	FY24/25	FY25/26	FY26/27
Cashflows from operating activities			
Receipts	5,020	5,480	5,664
Payments	3,413	3,682	3,875
Net cashflows from operating activities	1,607	1,798	1,789
Cashflows from investment activities			
Other items			
Capital expenditure	2,213	1,470	1,822
Net cashflows from investment activities	(2,213)	(1,470)	(1,822)
Cashflows from financing activities			
New borrowings	1,218	(327)	(401)
Repayment of borrowings			
Net cashflows from financing activities	1,218	(327)	(401)
Net increase/(decrease) in cash and cash equivalents	612	1	(434)
Cash and cash equivalents at beginning of year		612	613
Cash and cash equivalents at end of year	612	613	179

Statement of cashflows ($000) - Wastewater	FY24/25	FY25/26	FY26/27
Cashflows from operating activities			
Receipts	2,214	2,361	2,678
Payments	1,188	1,309	1,469
Net cashflows from operating activities	1,026	1,052	1,209
Cashflows from investment activities			
Other items		26	
Capital expenditure	3,728	3,237	14,177
Net cashflows from investment activities	(3,728)	(3,211)	(14,177)
Cashflows from financing activities			
New borrowings	2,956	2,229	13,248
Repayment of borrowings			
Net cashflows from financing activities	2,956	2,229	13,248
Net increase/(decrease) in cash and cash equivalents	254	70	280
Cash and cash equivalents at beginning of year	0	254	324
Cash and cash equivalents at end of year	254	324	604

Statement of cashflows ($000) - Stormwater	FY24/25	FY25/26	FY26/27
Cashflows from operating activities			
Receipts	1,095	1,209	1,362
Payments	573	710	807
Net cashflows from operating activities	522	499	555
Cashflows from investment activities			
Other items		(26)	
Capital expenditure	1,350	2,013	1,185
Net cashflows from investment activities	(1,350)	(2,039)	(1,185)
Cashflows from financing activities			
New borrowings	589	1,369	536
Repayment of borrowings			
Net cashflows from financing activities	589	1,369	536
Net increase/(decrease) in cash and cash equivalents	(239)	(171)	(93)
Cash and cash equivalents at beginning of year		(239)	(410)
Cash and cash equivalents at end of year	(239)	(410)	(504)

Statement of cashflows ($000) - Total Water Services	FY24/25	FY25/26	FY26/27
Cashflows from operating activities			
Receipts	8,329	9,050	9,784
Payments	5,174	5,701	6,151
Net cashflows from operating activities	3,155	3,349	3,554
Cashflows from investment activities			
Other items			
Capital expenditure	7,291	6,720	17,184
Net cashflows from investment activities	(7,291	(6,720)	(17,184)
Cashflows from financing activities			
New borrowings	4,763	3,271	13,383
Repayment of borrowings			
Net cashflows from financing activities	4,763	3,271	13,383
Net increase/(decrease) in cash and cash equivalents	627	(100)	(247)
Cash and cash equivalents at beginning of year		627	526
Cash and cash equivalents at end of year	627	526	279

WSCCO

WSCCO Statement of cashflows ($000) - Drinking Water	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Cashflows from operating activities							
Receipts	17,400	18,889	20,511	22,295	24,318	24,956	25,688
Payments	11,132	11,814	12,157	12,368	12,631	12,836	13,174
Net cashflows from operating activities	6,268	7,075	8,354	9,927	11,687	12,121	12,514
Cashflows from investment activities							
Other items	0	0	0	0	0	0	0
Capital expenditure	15,628	10,031	9,696	9,805	10,939	12,591	12,027
Net cashflows from investment activities	(15,628)	(10,031)	(9,696)	(9,805)	(10,939)	(12,591)	(12,027)
Cashflows from financing activities							
New borrowings	14,233	7,106	5,051	3,683	3,234	4,373	3,503
Repayment of borrowings							
Net cashflows from financing activities	14,233	7,106	5,051	3,683	3,234	4,373	3,503
Net increase/(decrease) in cash and cash equivalents	4,873	4,149	3,709	3,805	3,982	3,903	3,990
Cash and cash equivalents at beginning of year	0	4,873	9,023	12,732	16,537	20,519	24,422
Cash and cash equivalents at end of year	4,873	9,023	12,732	16,537	20,519	24,422	28,412

Statement of cashflows ($000) - Wastewater	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Cashflows from operating activities							
Receipts	14,541	15,758	17,070	18,494	20,110	20,633	21,210
Payments	12,539	12,958	13,376	13,634	13,979	14,213	14,379
Net cashflows from operating activities	2,002	2,800	3,694	4,860	6,130	6,420	6,831
Cashflows from investment activities							
Other items							
Capital expenditure	17,016	10,757	10,233	10,178	11,161	12,616	11,930
Net cashflows from investment activities	(17,016)	(10,757)	(10,233)	(10,178)	(11,161)	(12,616)	(11,930)
Cashflows from financing activities							
New borrowings	14,565	7,294	5,193	3,788	3,325	4,489	3,589
Repayment of borrowings							
Net cashflows from financing activities	14,565	7,294	5,193	3,788	3,325	4,489	3,589
Net increase/(decrease) in cash and cash equivalents	(449)	(663)	(1,346)	(1,530)	(1,706)	(1,707)	(1,511)
Cash and cash equivalents at beginning of year	0	(449)	(1,112)	(2,458)	(3,987)	(5,693)	(7,400)
Cash and cash equivalents at end of year	(449)	(1,112)	(2,458)	(3,987)	(5,693)	(7,400)	(8,911)

Statement of cashflows ($000) - Stormwater	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Cashflows from operating activities							
Receipts	5,089	5,633	6,218	6,850	7,575	7,792	8,022
Payments	3,619	3,871	4,126	4,278	4,472	4,617	4,751
Net cashflows from operating activities	1,469	1,762	2,092	2,572	3,103	3,175	3,271
Cashflows from investment activities							
Other items	3,900	2,000	0	0	0	0	0
Capital expenditure	9,975	6,306	5,999	5,966	6,542	7,396	6,993
Net cashflows from investment activities	(6,075)	(4,306)	(5,999)	(5,966)	(6,542)	(7,396)	(6,993)

Cashflows from financing activities							
New borrowings	4,959	2,601	1,922	1,447	1,309	1,820	1,490
Repayment of borrowings							
Net cashflows from financing activities	4,959	2,601	1,922	1,447	1,309	1,820	1,490
Net increase/(decrease) in cash and cash equivalents	354	57	(1,985)	(1,947)	(2,130)	(2,401)	(2,232)
Cash and cash equivalents at beginning of year	0	354	(5,489)	(7,474)	(9,421)	(11,552)	(13,953)
Cash and cash equivalents at end of year	354	411	(7,474)	(9,421)	(11,552)	(13,953)	(16,185)

WSCCO Statement of cashflows ($000) - Combined Water Services	**FY27/28**	**FY28/29**	**FY29/30**	**FY30/31**	**FY31/32**	**FY32/33**	**FY33/34**
Cashflows from operating activities							
Receipts	37,030	40,279	43,799	47,640	52,003	53,381	54,920
Payments	27,290	28,643	29,659	30,280	31,082	31,666	32,304
Net cashflows from operating activities	9,740	11,636	14,140	17,360	20,921	21,716	22,616
Cashflows from investment activities							
Other items	3,900	2,000					
Capital expenditure	42,618	27,094	25,928	25,950	28,642	32,603	30,950
Net cashflows from investment activities	(38,718)	(25,094)	(25,928)	(25,950)	(28,642)	(32,603)	(30,950)
Cashflows from financing activities							
New borrowings	33,757	17,001	12,166	8,918	7,867	10,682	8,581
Repayment of borrowings	0	0	0	0	0	0	0
Net cashflows from financing activities	33,757	17,001	12,166	8,918	7,867	10,682	8,581
Net increase/(decrease) in cash and cash equivalents	4,779	3,543	378	328	146	(205)	247
Cash and cash equivalents at beginning of year	0	4,779	2,422	2,800	3,128	3,274	3,069
Cash and cash equivalents at end of year	4,779	8,3422	2,800	3,128	3,274	3,069	3,316

Projected statement of financial position

Buller DC

Buller DC - Statement of financial position ($000) - Drinking Water	FY24/25	FY25/26	FY26/27
Assets			
Cash and cash equivalents		457	1,028
Other current assets			
Infrastructure assets	60,755	62,691	72,223
Other non-current assets			
Total assets	60,755	63,148	73,251
Liabilities			
Borrowings - current portion			
Other current liabilities			
Borrowings - non-current portion	24,317	26,417	30,417
Other non-current liabilities			
Total liabilities	24,317	26,417	30,417
Net assets	36,437	36,731	42,834
Equity			
Revaluation reserve			
Other reserves			
Total equity	36,437	36,731	42,834

Buller DC - Statement of financial position ($000) - Wastewater	FY24/25	FY25/26	FY26/27
Assets			
Cash and cash equivalents	(615)	(443)	930
Other current assets			
Infrastructure assets	39,388	42,275	44,431
Other non-current assets			
Total assets	38,773	41,832	45,361
Liabilities			
Borrowings - current portion			
Other current liabilities			
Borrowings - non-current portion	6,240	8,167	11,250
Other non-current liabilities			
Total liabilities	6,240	8,167	11,250
Net assets	32,533	33,665	34,110
Equity			
Revaluation reserve			
Other reserves			
Total equity	32,533	33,665	34,110

Buller DC - Statement of financial position ($000) - Stormwater	FY24/25	FY25/26	FY26/27
Assets			
Cash and cash equivalents	428	870	1,375
Other current assets			
Infrastructure assets	23,951	29,380	39,474
Other non-current assets			
Total assets	24,380	30,350	40,840
Liabilities			
Borrowings - current portion			
Other current liabilities			
Borrowings - non-current portion	1,500	1,500	2,500
Other non-current liabilities			
Total liabilities	1,500	1,500	2,500
Net assets	22,880	28,750	38,348
Equity			
Revaluation reserve			
Other reserves			
Total equity	22,880	28,750	38,348

Buller DC - Statement of financial position ($000) - Total Water Services	FY24/25	FY25/26	FY26/27
Assets			
Cash and cash equivalents	(187)	884	3,332
Other current assets			
Infrastructure assets	124,093	134,346	156,127
Other non-current assets			
Total assets	123,907	135,230	159,460
Liabilities			
Borrowings - current portion			
Other current liabilities			
Borrowings - non-current portion	32,057	36,084	44,167
Other non-current liabilities			
Total liabilities	32,057	36,084	44,167
Net assets	91,850	99,146	115,292
Equity			
Revaluation reserve			
Other reserves			
Total equity	91,850	99,146	115,292

Grey DC

Grey DC - Statement of financial position ($000) - Drinking Water	FY24/25	FY25/26	FY26/27
Assets			
Cash and cash equivalents	261	262	261
Other current assets			
Infrastructure assets	53,642	57,155	64,073
Other non-current assets			
Total assets	53,903	57,417	64,334
Liabilities			
Borrowings - current portion			
Other current liabilities			
Borrowings - non-current portion	6,567	10,074	18,135
Other non-current liabilities			
Total liabilities	6,567	10,074	18,135
Net assets	47,336	47,343	46,119
Equity			
Revaluation reserve			
Other reserves			
Total equity	47,336	47,343	46,119

Grey DC - Statement of financial position ($000) - Wastewater	FY24/25	FY25/26	FY26/27
Assets			
Cash and cash equivalents	(29)	102	(75)
Other current assets			
Infrastructure assets	106,493	108,458	113,522
Other non-current assets			
Total assets	106,454	108,560	113,448
Liabilities			
Borrowings - current portion			
Other current liabilities			
Borrowings - non-current portion	11,616	14,375	20,647
Other non-current liabilities			
Total liabilities	11,616	14,375	20,647
Net assets	94,848	94,185	92,801
Equity			
Revaluation reserve			
Other reserves			
Total equity	94,848	94,185	92,801

Grey DC - Statement of financial position ($000) - Stormwater	FY24/25	FY25/26	FY26/27
Assets			
Cash and cash equivalents		(500)	(750)
Other current assets			
Infrastructure assets	60,873	61,077	61,792
Other non-current assets			
Total assets	60,873	60,577	61,032
Liabilities			
Borrowings - current portion			
Other current liabilities			
Borrowings - non-current portion	947	2,599	4,340
Other non-current liabilities			
Total liabilities	947	2,599	4,340
Net assets	59,926	57,978	56,692
Equity			
Revaluation reserve			
Other reserves			
Total equity	59,926	57,978	56,692

Grey DC - Statement of financial position ($000)	FY24/25	FY25/26	FY26/27
Assets			
Cash and cash equivalents	261	62	(199)
Other current assets			
Infrastructure assets	221,008	226,691	239,388
Other non-current assets			
Total assets	221,269	226,753	239,189
Liabilities			
Borrowings - current portion			
Other current liabilities			
Borrowings - non-current portion	19,130	27,048	43,286
Other non-current liabilities			
Total liabilities	19,130	27,048	43,286
Net assets	202,139	199,705	196,067
Equity			
Revaluation reserve			
Other reserves			
Total equity	202,139	199,705	196,067

Westland DC

Statement of financial position ($000) - Drinking Water	FY24/25	FY25/26	FY26/27
Assets			
Cash and cash equivalents	612	613	179
Other current assets			
Infrastructure assets	48,583	48,278	49,920
Other non-current assets			
Total assets	49,195	48,891	50,099
Liabilities			
Borrowings - current portion			
Other current liabilities			
Borrowings - non-current portion	5,143	4,816	4,415
Other non-current liabilities			
Total liabilities	5,143	4,816	4,415
Net assets	44,052	44,075	45,684
Equity			
Revaluation reserve			
Other reserves			
Total equity	44,052	44,075	45,864

Statement of financial position ($000) - Wastewater	FY24/25	FY25/26	FY26/27
Assets			
Cash and cash equivalents	254	324	604
Other current assets			
Infrastructure assets	28,719	30,930	50,890
Other non-current assets			
Total assets	28,973	31,254	51,494

Liabilities			
Borrowings - current portion			
Other current liabilities			
Borrowings - non-current portion	6,785	9,014	22,262
Other non-current liabilities			
Total liabilities	6,785	9,014	22,262
Net assets	22,188	22,240	29,232
Equity			
Revaluation reserve			
Other reserves			
Total equity	22,188	22,240	29,232

Statement of financial position ($000) - Stormwater	FY24/25	FY25/26	FY26/27
Assets			
Cash and cash equivalents	(239)	(410)	(504)
Other current assets			
Infrastructure assets	23,828	25,341	27,791
Other non-current assets			
Total assets	23,589	24,931	27,287
Liabilities			
Borrowings - current portion			
Other current liabilities			
Borrowings - non-current portion	2,671	4,040	4,576
Other non-current liabilities			
Total liabilities	2,671	4,040	4,576
Net assets	20,918	20,891	22,711
Equity			
Revaluation reserve			
Other reserves			
Total equity	20,918	20,891	22,711

Statement of financial position ($000) - Total Water Services	FY24/25	FY25/26	FY26/27
Assets			
Cash and cash equivalents	627	526	279
Other current assets			
Infrastructure assets	101,130	104,549	128,601
Other non-current assets			
Total assets	101,757	105,076	128,880
Liabilities			
Borrowings - current portion			
Other current liabilities			
Borrowings - non-current portion	14,599	17,870	31,253
Other non-current liabilities			
Total liabilities	14,599	17,870	31,253
Net assets	87,158	87,206	97,627
Equity			
Revaluation reserve			
Other reserves			
Total equity	87,158	87,206	97,627

WSCCO

WSCCO Statement of financial position ($000) - Drinking Water	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34	
Assets								
Cash and cash equivalents		4,873	9,023	12,732	16,537	20,519	24,422	28,412
Other current assets								
Infrastructure assets		197,922	203,748	228,167	233,104	238,995	267,947	274,149
Other non-current assets								
Total assets		202,795	212,770	240,899	249,640	259,514	292,369	302,562
Liabilities								
Borrowings - current portion								
Other current liabilities								
Borrowings - non-current portion		65,654	72,761	77,812	81,495	84,728	89,102	92,604
Other non-current liabilities								
Total liabilities		65,654	72,761	77,812	81,495	84,728	89,102	92,604
Net assets		137,141	140,010	163,087	168,146	174,786	203,267	209,957
Equity								
Revaluation reserve								
Other reserves								
Total equity		137,141	140,010	163,087	168,146	174,786	203,267	209,957

Statement of financial position ($000) - Wastewater	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Assets							
Cash and cash equivalents	(449)	(1,112)	(2,458)	(3,987)	(5,693)	(7,400)	(8,911)
Other current assets							
Infrastructure assets	221,647	227,950	253,266	258,419	264,409	293,923	300,033
Other non-current assets							
Total assets	221,199	226,838	250,808	254,431	258,716	286,523	291,122
Liabilities							
Borrowings - current portion							
Other current liabilities							
Borrowings - non-current portion	67,187	74,481	79,674	83,463	86,787	91,277	94,865
Other non-current liabilities							
Total liabilities	67,187	74,481	79,674	83,463	86,787	91,277	94,865
Net assets	154,012	152,357	171,134	170,969	171,928	195,247	196,257
Equity							
Revaluation reserve							
Other reserves							
Total equity	154,012	152,357	171,134	170,969	171,928	195,247	196,257

Statement of financial position ($000) - Stormwater	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Assets							
Cash and cash equivalents	354	411	(7,474)	(9,421)	(11,552)	(13,953)	(16,185)
Other current assets							
Infrastructure assets	136,717	140,608	151,406	154,724	158,559	172,190	176,208
Other non-current assets							
Total assets	137,071	141,019	143,932	145,303	147,007	158,237	160,023
Liabilities							
Borrowings - current portion							
Other current liabilities							
Borrowings - non-current portion	22,875	25,476	27,398	28,845	30,154	31,974	33,463
Other non-current liabilities							
Total liabilities	22,875	25,476	27,398	28,845	30,154	31,974	33,463
Net assets	114,196	115,543	116,534	116,458	116,853	126,263	126,560
Equity							
Revaluation reserve							
Other reserves							
Total equity	**114,196**	**115,543**	**116,534**	**116,458**	**116,853**	**126,263**	**126,560**

WSCCO Statement of financial position ($000) - Combined Water Services	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Assets							
Cash and cash equivalents	4,779	8,322	2,800	3,128	3,274	3,069	3,316
Other current assets							
Infrastructure assets	556,286	572,306	632,839	646,246	661,963	734,060	750,390
Other non-current assets							
Total assets	561,065	580,628	635,639	649,374	665,237	737,129	753,707
Liabilities							
Borrowings - current portion							
Other current liabilities							
Borrowings - non-current portion	155,717	172,718	184,884	193,802	201,670	212,352	220,933
Other non-current liabilities							
Total liabilities	155,717	172,718	184,884	193,802	201,670	212,352	220,933
Net assets	405,348	407,910	450,755	455,572	463,567	524,777	532,774
Equity							
Revaluation reserve							
Other reserves							
Total equity	405,348	407,910	450,755	455,572	463,567	524,777	532,774

Additional information

Water Services Delivery Plan: additional information

This section outlines the key projects for each council, as well as related risks, assumptions and constraints including for the delivery of water services.

Significant Capital Projects

The three most significant projects for each Council are as follows:

Westland DC

- Hokitika Wastewater Treatment Plant
- Franz Josef Wastewater Treatment Plant
- Blue Spur Membrane Replacement

Grey DC

- Greater Greymouth Water Treatment Plant
- Runanga and Moana Wastewater Treatment Improvements
- Karoro/South Beach/Paroa Transfer to Greater Greymouth Wastewater Treatment Plant

Buller DC

- Westport Wastewater and Stormwater Separations 10-Year Programme
- Untreated Northern Buller Supply Drinking Water Programme
- Reefton Wastewater Resource Consent Renewal and SW Separation

Information including capital delivery timing and costs for each project is provided in Part B for each individual council.

Risks

The following table outlines the key risks identified for the WSCCO, in terms of water services delivery and the transition of those services from each Council to the WSCCO. The risks are categorised into a number of areas including strategic, legislative, legal, network / operational, financial and transitional. During the establishment phase, the risks will be identified, assessed and continually reviewed, and they will be monitored on an ongoing basis (which could include mitigation, transfer or monitor).

			Inherent					Residual		
Risk Type	**Description of Risk**	**Consequence**	**Likelihood**	**Further Consequence**	**Consequence Score**	**Overall**	**Controls**	**Likelihood Ranking**	**Consequence Score**	**Overall**
Transitional	As the timeline for preparing the joined-up Water Service Delivery Plan has been extremely short, DIA has only been able to review the draft for Part A. Whilst a full legal compliance review is being undertaken there may be a risk that the DIA will require additional information and not approve the plan that is submitted by 3 September.	The Councils would need to work with the DIA for clarifications / add additional information before a second version is ready for approval. The delegated authority for subsequent revisions would need to be agreed.	2		2	4	Drafts have been shared with the DIA but not in time for a review to be completed ahead of the deadline. The Councils have reviewed existing approved WSDPs and DIA assessment reports, in an effort to anticipate any areas of particular concern to DIA.	2	2	4
Strategic Transitional Network/Operational	Options for shared services	There may not be viable options for shared services once a CCO is set up.	2	Loss of efficiency opportunities; duplication of work; inability to leverage joint resources or economies of scale	4	8	Start a shared services working group; explore joint procurement options pre-transition; draft fallback service agreements.	1	4	4
Strategic Network/Operational	The size of the contracting market may not be large enough to deliver the 3 Councils capital programme. There could be contractor availability challenges.	A new capital programme will likely need to be agreed and there may not be sufficient contractors available to deliver it. Councils may not meet legislative requirements or adhere to agreed levels of services if projects are not delivered.	4	Potential for non-compliance with legislation and service level agreements if projects are delayed or undelivered	4	16	Establish preferred supplier panel, stagger project delivery timelines and ensure the offerings are worthwhile. Maintain a transparent capital project pipeline with priority ranking; undertake early procurement where possible; track delivery through monthly reporting; engage early with funders	2	4	8

			Inherent					Residual		
Risk Type	**Description of Risk**	**Consequence**	**Likelihood**	**Further Consequence**	**Consequence Score**	**Overall**	**Controls**	**Likelihood Ranking**	**Consequence Score**	**Overall**
							and the contracting market to provide forward certainty for contractors to plan.			
Strategic Legislative	Costs to consumers under economic regulation	Ratepayers/residents may not be able to afford to pay for water services going forward. The West Coast has complex geography, a small number of ratepayers and often surface water supplies which need treatment.	4	Reduced access to essential services; financial hardship; reputational damage to Councils.	5	20	Work with the economic regulator on a feasible, prioritised, and deliverable programme of work to enable the response to each regulator to be effective.	3	4	12
Strategic Network/Operational	Challenges in the compliance space	On-going challenges with Taumata Arowai may result in increased staff time and non-compliances reflecting poorly on the Councils.	4	Increased staff time, potential non-compliance, reputational harm to Councils.	4	16	Work together (West Coast Councils) to maintain active liaison with regulator and continue the conversation ensuring all financial modelling is in line with what responses need to be as standards are finalised and understood for the networks in each of the districts. Deliver on capital programme to ensure that all services delivered by the WSCCO are compliant or have established programmes in	2	4	8

			Inherent					Residual		
Risk Type	**Description of Risk**	**Consequence**	**Likelihood**	**Further Consequence**	**Consequence Score**	**Overall**	**Controls**	**Likelihood Ranking**	**Consequence Score**	**Overall**
							place for compliance.			
Strategic Network/Operational	Potential for disconnection of services	Ratepayers/residents may choose to disconnect which has implications on revenue - some areas with 0 costs for disconnection, others at 50% in the Buller district.	4	Loss of revenue; inequitable cost distribution; possible service instability.	4	16	Ensure disconnection policies are understood and established monitoring trends and continue to implement community campaigns to show understanding. Legislative frameworks do not readily provide for disconnections, as public consultation will first be required.	3	4	12
Strategic	One or more Council decides not to continue with the transition and instead move to a stand-alone business unit	The Heads of Agreement allows for Councils to discontinue their involvement in the setup of the new WSCCO.	2	Impact to remaining councils	4	8	Working with the Governance Group and ensuring the Heads of Agreement has sufficient provisions for Councils to minimise impacts to remaining Councils if one pulls out. Public consultation process required before exit can occur, and legislation also preserves intervention powers for the Minister of Local Government.	1	4	4

			Inherent					Residual		
Risk Type	**Description of Risk**	**Consequence**	**Likelihood**	**Further Consequence**	**Consequence Score**	**Overall**	**Controls**	**Likelihood Ranking**	**Consequence Score**	**Overall**
Strategic Network/Operational	Ownership, management and operation of stormwater assets will be complicated going forward.	Stormwater interacts with roading, parks and reserves and 3waters. Moving stormwater to a CCO will mean an on-going relationship agreement with Councils, charging arrangements and development of a stormwater management plan.	5	Complex ongoing relationship agreements; potential disputes over charging and asset management.	4	20	This is a critical piece of work which will need to be understood quickly. Determine how stormwater can be equitably charged and the on-going arrangements required with each Council to achieve it. Develop stormwater management plan; formalise MOUs with relevant departments; asset mapping and handover protocols.	3	4	12
Strategic Transitional Network/Operational	Continuity of work in the 3Waters space.	Councils may not be incentivised to perform in the 3Waters space, this will impact on capital delivery, policy development, staffing, renewal profiles.	2	Decline in capital delivery, policy development, staffing capacity, and asset renewal quality.	4	8	Include 3Waters KPIs in council performance frameworks; regular performance reporting; incentivise early delivery with reporting back to the steering group. The Heads of Agreement includes an establishment principle focused on each of the Councils ensuring they continue to deliver as per their LTPs during the transition.	1	4	4

			Inherent					Residual		
Risk Type	**Description of Risk**	**Consequence**	**Likelihood**	**Further Consequence**	**Consequence Score**	**Overall**	**Controls**	**Likelihood Ranking**	**Consequence Score**	**Overall**
Strategic Transitional	Financial viability	There is a cost involved in setting up the CCO, this will impact on Council and CCO debt. It may not be possible for Council(s) to debt fund this as it is unbudgeted expenditure.	4	Increase in debt; possible inability to fund due to unbudgeted expenditure; reduced financial flexibility.	4	16	Prepare detailed transition budget; confirm funding source(s); track costs monthly against budget.	3	4	12
Strategic Network/Operational	Weather events, natural disasters	The West Coast is prone to weather events and natural disasters which may severely impact assets.	4	Significant asset damage; increased repair costs; service interruptions.	5	20	Consider and implement infrastructure projects that are resilient to weather and natural hazard events. Work with West Coast CDEM before and after events to ensure that responses are co-ordinated and minimise disruption to waters systems users.	3	5	15
Strategic Transitional	Control on procurement / recruitment	Procurement and recruitment will require increased oversight during the transition phase to ensure the correct decisions are being made.	3	Poor supplier/staff choices; reduced quality or timeliness of services.	3	9	Apply robust procurement policy; establish recruitment panel; conduct quality reviews of major hires/contracts. Key decisions on contracts may require joint governance approval.	2	3	6
Strategic Legislative	Proposed development rules / influence	Changes to the development rules may have an unintended impact on the provision of 3Waters infrastructure.	4	Unintended negative impact on 3Waters infrastructure provision.	4	16	Monitor legislative changes and ensure the relevant parties are on board with the transition whilst adjusting	3	4	12

			Inherent					Residual		
Risk Type	**Description of Risk**	**Consequence**	**Likelihood**	**Further Consequence**	**Consequence Score**	**Overall**	**Controls**	**Likelihood Ranking**	**Consequence Score**	**Overall**
							planning documents promptly.			
Legal	Ownership and agreement of use / payment of Easements and land is not yet agreed and may be complex.	Decisions will be required regarding easements and land ownership during transition as part of the development of the transfer agreement.	4	Impact on ability to transfer and operate effectively if issues are not resolved	4	16	Review easements, asset and land ownership and transfer requirements early in the transition so any potentially challenges can be resolved in a timely way.	2	4	8
Strategic	Deliverability of three capital programmes	Each Council has a significant capital programme to deliver in the short term. It may not be feasible to delivery this if we are combined into one entity.	5	Resource overload, inability to meet delivery targets. Unrealistic expectations given to the public	4	20	A WSCCO AMP will be developed at the start of Implementation. Whilst each existing AMP/AMP+ outlines requirements (with caveats around legislative changes still to happen), overall prioritisation and deliverability to ensure all districts are able to respond to the WSCCO objectives is required.	3	4	12
Strategic	Affordability for residents	Users may not actually be able to afford to pay the water bills alongside rates and other bills.	5	Non-payment; reduced cost recovery; potential service cutbacks.	5	25	Focus on staying below the 2.5% medium income threshold where possible. The WSCCO AMP will also use this as a key measure, ensuring the programme is smoothed out to	4	4	16

			Inherent					Residual		
Risk Type	**Description of Risk**	**Consequence**	**Likelihood**	**Further Consequence**	**Consequence Score**	**Overall**	**Controls**	**Likelihood Ranking**	**Consequence Score**	**Overall**
							avoid big spikes in revenue requirements.			
Strategic Network/Operational	Levels of service not aligned with funding and service delivery.	Level of service not met due to funding constraints and ratepayers/Council not aware of the implications.	4	Failure to meet agreed levels of service; community dissatisfaction; legal/reputational risk.	4	16	Ensure levels of service and required funding are clearly articulated and consulted on.	3	4	12
Strategic Operational Finance	Perceived efficiencies	That the perceived/modelled efficiencies do not eventuate.	3	Failure to realise cost savings; higher operational costs than forecast.	3	9	Modelling has assumed a 20% cost efficiency improvement over a 20-year period, starting in year 4. This is a high-level estimate and work is required during transition to ensure the WSCCO is set up to enable the expected efficiency gains to be made.	2	3	6
Legislative	Bylaws	Bylaws are or may become out of date during the transition period, causing issues for Councils.	4	Enforcement issues; inability to meet compliance requirements.	3	12	Schedule bylaw reviews, working where possible with each Council; align review dates with legislative changes; maintain legal oversight.	2	3	6
Legislative	Rating Policies	Rating policies across Councils may not be aligned causing long term issues.	4	Long-term inequities; financial instability; community dissatisfaction.	4	16	Public consultation on changes; staged implementation. Buller considering pooling of all water rates in the district prior to transition.	3	4	12

			Inherent					Residual		
Risk Type	**Description of Risk**	**Consequence**	**Likelihood**	**Further Consequence**	**Consequence Score**	**Overall**	**Controls**	**Likelihood Ranking**	**Consequence Score**	**Overall**
							Mitigation will occur with WSCCO commencing its own charging and revenue collection, which will streamline any differences between the West Coast Councils.			
Legislative	Impact of other Acts	Legislation for other assets may impact on 3Waters i.e. Reserves Act, if not considered this will cause issues with Councils.	4	Compliance issues; operational constraints; project delays.	4	16	Maintain legal review process for capital projects; staff training on cross-legislation issues; early stakeholder engagement.	3	4	12
Legislative Transitional	Legal Process	A legal process must be followed to set up and operate a CCO, if not we risk failure of the organisation.	2	Risk of the CCO failing to be prepared and not setup correctly. Potential legal challenges	5	10	Compliance with Implementation plan will be critical and will involve legal counsel throughout, including with the preparation of a detailed roadmap to satisfy all legal requirements.	1	5	5
Legislative	Wastewater and stormwater standards	The standards for wastewater and stormwater treatment and disposal are unknown which may incur addition costs to the CCO.	5	Unexpected cost increases; need for unplanned upgrades.	4	20	Continue to monitor the ongoing standards, maintain flexible capital budgets; liaise with technical experts.	4	4	16
Legislative Transitional	Customer Information	If the entity cannot access customer information, billing will need to go through Council processes,	2	Billing delays; increased administrative workload for Councils.	3	6	Develop data sharing agreement; upgrade billing system; test billing	1	3	3

			Inherent					Residual		
Risk Type	**Description of Risk**	**Consequence**	**Likelihood**	**Further Consequence**	**Consequence Score**	**Overall**	**Controls**	**Likelihood Ranking**	**Consequence Score**	**Overall**
		causing additional work for Council staff.					process before transition.			
Network/Operational	Size of the entity and geographical implications	All three Councils are small due to the small number of ratepayers, and resourcing the entity across the West Coast may be a challenge due to the large region with long travel times due to windy narrow roads.	4	Difficulty in resourcing operations and inefficiencies due to travel	4	16	Implement remote management tools, optimise scheduling to minimise travel and continue with the shared services approach. Likely maintain physical presence across wider service area, to ensure continuity and responsiveness of service delivery.	3	4	12
Strategic Network/Operational	Asset data and information	Poor asset data will impact on the ability to create comprehensive asset management plans and capital works programmes.	4	Inaccurate asset management and capital works planning, inefficient investment	4	16	Continue to work with the asset managers and review all inputs. Move all asset data to standardised system as part of the transition with a focus on understanding data quality concerns and improvements as part of the process.	3	4	12
Strategic Network/Operational	Tourism Capacity	The West Coast is a tourist destination which often results in over-sized infrastructure, and therefore increased cost to the ratepayers. This infrastructure needs to be replaced often as well	2	Higher costs for ratepayers; accelerated wear requiring more frequent replacement.	3	6	Cost-sharing mechanisms with tourism operators; align upgrades with visitor demand projections; build asset resilience.	1	3	3

			Inherent					Residual		
Risk Type	**Description of Risk**	**Consequence**	**Likelihood**	**Further Consequence**	**Consequence Score**	**Overall**	**Controls**	**Likelihood Ranking**	**Consequence Score**	**Overall**
		due to the high tourist volumes.								
Network/Operational	Material or supply shortage	Due to the changes in compliance, we expect there to be a shortage in some materials or supplies required. This will impact on our delivery.	4	Delays and cost overruns in delivery of services/projects.	4	16	Identify alternative suppliers; monitor supply chain risks.	3	4	12
Transitional	Staff capacity with the transition alongside BAU	Many staff work across infrastructure activities and may not have the capacity to dedicate time to setting up the new entity.	4	Slower progress on setup; risk of burnout; reduced quality of outputs.	3	12	Potential for seconded staff to start working for the entity, hire fixed term project staff and prudent workforce planning.	3	3	9
Transitional	Ability to secure effective directors and leadership team	The CCO may not be able to secure directors or a leadership team which will impact on the effectiveness of the organisation.	4	Reduced organisational effectiveness; delays in decision-making.	4	16	Recruit as early as feasible, use executive search services and offer competitive packages for potential candidates.	3	4	12
Transitional	Internal and external communications	Poor communications during the transition phase will leave ratepayers confused about the changes in billing and the delivery of water services. This may result in ratepayers not paying bill they receive.	5	Confusion over billing and service delivery. Increase in non-payment and a reduction in customer trust	4	20	Develop and approve communications plan; centralise updates on one platform; use multiple channels for public info.	3	4	12
Financial	Limitations on Council finances/working capital	Council financial resources may not be sufficient to fund the implementation costs which may impact on the deliverability of setting up a CCO.	4	Delays or inability to establish CCO effectively.	4	16	Secure external funding; reallocate budgets; phase implementation.	3	4	12

			Inherent					Residual		
Risk Type	**Description of Risk**	**Consequence**	**Likelihood**	**Further Consequence**	**Consequence Score**	**Overall**	**Controls**	**Likelihood Ranking**	**Consequence Score**	**Overall**
Financial	Stranded overheads	Council will have to share overhead costs amongst less departments or groups which will have impacts on how these stranded overhead costs are funded in the future.	4	Increased financial pressure on remaining Council departments.	3	12	Review overhead allocation; adjust budgets; identify alternative funding sources.	3	3	9
Financial	Debt headroom after transition	Council may not have enough debt headroom after losing 3Waters assets to the CCO to debt fund the balance of their infrastructure requirements.	3	Inability to fund future infrastructure requirements. The leftover council could be unviable	4	12	Critical part of the project in the next piece of work which will involve reviewing debt policies and what debt funding the councils without 3 waters activities may need to raise.	2	4	8
Financial	Ability to collect charges that are levied at higher dollar values than previously	The CCO and the Councils may be challenged to collect their water charges and rates if a ratepayer does not pay their invoice. This will impact on the ability of the CCO or the Council to operate.	4	Reduced operating revenue; inability to meet financial obligations.	4	16	Strengthen debt recovery process; implement reminder notices; offer payment arrangements, seek financial support where possible from Central Government for ratepayers and the councils	3	4	12
Financial	Long term viability of the CCO	The CCO has a small number of ratepayers to fund the water service delivery plan infrastructure, set by legislative requirements which cannot be changed by the CCO.	4	Higher per-capita costs; affordability concerns.	5	20	Lobby for central government support; collaborate with neighbouring councils; phased investment approach.	3	4	12

Assumptions

The key assumptions made during the development of this plan are as follows:

- The growth rate across all three districts is assumed to be 0.5%. This aligns with the medium growth projections from Statistics New Zealand.
- Operating and capital expenditure efficiency target is 20% over 15 years or 1.3% starting from the 3rd year after establishment (2029/30 financial year).
- Further changes to regulatory standards do not significantly impact on the amount of capital required to comply.
- The cost for establishment has been estimated at $5m. Until the scope of the WSCCO is confirmed, a more detailed cost breakdown cannot be determined. This cost is debt funded by the WSCCO and is either part of the value of debt transferred to the WSCCO by each council or is a setup cost of the WSCCO.
- The approach for stormwater will be confirmed during transition in terms of on-going ownership of assets and charging mechanism.

The following matters have been relied upon regarding the financial modelling:

- That the key assumptions listed above are soundly based and have been appropriately included in the model.
- That the information provided by each council for financial modelling is supported by appropriate engineering assessments, cost estimates and programming of infrastructure delivery.
- That the assumptions to assess the service delivery options of a Multi CCO compared to the alternate option of the Standalone Business Unit (STABU) are reasonable and appropriate.
- That the financial model is calculating all assumptions correctly and delivering an outcome that is consistent with legislative, financial reporting and LGFA funding requirements.
- The model has been prepared on the best information available but actual results will vary depending on the delivery of the water services plan.
- The model has not been audited.

Constraints

Key constraints for the delivery of this plan and transition into the WSCCO include:

- Short timeframe for the development of the modelling and preparation of the joined-up WSDP have meant there was not enough time for the DIA to review the full draft plan and provide feedback in advance.
- Staff capacity to support transition and business as usual.
- Staff, consultant, contractor and part availability to enable continued focus on delivery of capital works as agreed in each Council's LTP.
- Funding to support the transition, which needs to be provided by the Councils and transferred as debt to the WSCCO as part of the transfer agreement.
- Availability of options for shared services may be limited and not optimal/able to be implemented in the timeframe required for transition, requiring a phased transition.
- Timeframe for the establishment of the WSCCO and transition into it across all areas of the implementation and transition.
- There may be risks that do not have an effective mitigation