



'Positioning for Progress'
For the 10 years 2015 to 2025

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Our vision is for the Buller District to grow, and for the district to become a thriving community where families enjoy a great quality of life and the distinctive natural, cultural and historical environment are treasured.

About the Buller District Council

Introducing Buller's Consultation Document.....

This Consultation Document sets out Council's directions for the next 10 years.

Any of the matters covered in this Consultation Document are open to public comment but Council has identified several Key Issues and Strategies that we believe are of particular importance to our community, and that we want your feedback on.

Council has a wide range of activities that it undertakes - many of which it must carry out by law, including:

- **Key infrastructure:** roads, footpaths, water, sewerage, stormwater, waste and drainage;
- **Regulatory responsibilities:** Resource Management Act policies, monitoring and consents, building consents, food and liquor;
- **Community facilities and support:** libraries, community grants, emergency management.
- **Amenities and Reserves, Council properties:** Parks, reserves, housing for the elderly, Council owned properties.

About this Consultation Document

The Local Government Act 2002 was amended in 2014 and now requires Councils to produce a **Consultation Document** as the basis for public participation in decision making on its 2015-2025 Long Term Plan.

In previous years a Summary of the draft Long Term Plan has been widely distributed, with the draft Long Term Plan also available, as the basis of public consultation.

This Consultation Document sets out the major issues and projects over the next 10 years, the impact on rates, debt and levels of service of those projects. It also summarises Council's Infrastructure and Financial Strategies.

Within this document, Council outlines the key issues being faced, options and seeks community feedback on them.

A summary document has also been produced and will be distributed throughout our district.

The Consultation Document and the draft Long Term Plan will be widely available on Council's website and Council Offices and Libraries.

Roadshows will take place in the main towns throughout our district, and the public are encouraged to read this document and to have their say. **The consultation period opens on 28 April 2015 and closes on 29 May 2015.**

Strategic Position (see page 3)

Our Council is committed to the efficient and effective delivery of services to our community. We will continue our significant past investments to maintain and improve our core asset infrastructure.

We recognise that we need to begin a process of long term district diversification and regional development to achieve long term growth and economic investment. In this 10 year plan, we turn words into actions, along with timelines and costs. Our key strategies support this consolidation and forward thinking approach by our Council.

We want our district's towns to remain attractive and pleasant places in which to live, work and play.

Financial Strategy (see page 24)

This Strategy sets out Council's financial position for the next 10 years. We want to know if you think we have got the balance right between strategic investments and debt, and service levels and rates.

Infrastructure Strategy (see page 30)

This Strategy outlines Council's planned projects for its core infrastructure assets. We want to know whether you think we have got our priorities right.

What else is going on at Council (see page 7)

Council has identified a number of Key Issues which cover a range of issues and opportunities that Council considers are likely to be of interest to our community – we would like to hear your views. These key issues are also summarised on **page 37**.

Significant changes to policies (see page 15)

These legislated policies provide the framework and key parameters for Council financial operations such as rating, funding and treasury management.

This Consultation Document is supported by a suite of documents that we included in a full Draft Long Term Plan. These supporting documents are available on Council's website (www.bullerdc.govt.nz).

About the Long Term Plan

Every three years Council must produce its Long Term Plan which explains how these activities will be carried out and funded over the coming 10 years. The Long Term Plan describes:

- How Council intends advancing the achievement of its Community Outcomes. Focusing on these Outcomes enables Council to ensure that it accounts for issues such as environmental sustainability, the changing demographics of our people, economic drivers such as changes in the local economy and industries, land use change, environmental risks such as climate change and enabling participation in decision making and service delivery;
- Council's plans, major projects, performance targets and budgets for each of our activities;
- Council's financial policies and how it will finance its activities.

WELCOME from the Mayor and Chief Executive

Positioning for Progress

We are pleased to present the Consultation Document for the Council's 2015-2025 Draft Long Term Plan (LTP).

Over the past few months we have worked hard to find affordable and viable solutions for the issues facing our community over the next 10 years.

As we are all aware, the District is suffering the negative effects of the chronic boom/bust cycle that bedevils the mining industry. The reduction in coal prices has brought about economic contraction, population decline, reduction in property values and a number of social problems. We are very mindful of the need to be conservative in expenditure but it would be dangerous to allow a negative state of mind to prevent investment for a better future. Traditionally Council's strategy has been to retrench and wait for the good times to return. However in a new world facing climate change and other unknowns, that strategy may no longer be the best option.

This Draft Long Term Plan is based on the strategy that the Council needs to begin a process of long term economic diversification for an eventual shift to a life after coal. We have assumed that there will be a short term population decline with a low point occurring after Holcim ceases production at the end of 2016. We want to position the district for steady recovery from that time onwards.

If we are to be in positive position to capture that recovery then there is work to be done. We have to ensure that all our traditional infrastructure is up to scratch, that the district's towns remain attractive and pleasant places in which to live, and that we have made the modern forms of infrastructure (such as broadband and mobile connectivity) freely available across the district. We cannot afford to be left behind.

This Draft Long Term Plan sets out to turn the words into actions, along with timelines. As a Council, we have identified several Key Issues that need to be addressed. At the same time we have developed strategies and looked at the options available. The final decisions will have a significant impact on our Community over the next 10 years and beyond. We want to ensure our final Long Term Plan works for you.

Council wants to hear what you think of the Draft Long Term Plan.

Please have a look at what we are proposing in the Draft Long Term Plan and please feel free to contact us if you have any queries or suggestions. Have your say by making a written submission, and if you want to talk directly to councillors, take the opportunity to speak at the special hearings meetings.

This **Consultation Document** is the first to be produced under the amended Local Government Act 2002. The amended legislation requires that we consult with you by way of this summarised "Consultation Document" instead of the full Long Term Plan itself. We have tried hard to make the Consultation document easy to read while remaining informative, and comprehensive enough to convey the full picture and the consequences. However it is based on the fully detailed and comprehensive Draft Long Term Plan that runs to several hundred pages. Nothing is hidden and all the fine points are set out in the Draft Long Term Plan. This supporting document is publicly available on our website www.bullerdc.govt.nz, and at Council offices and Libraries, and includes all the Strategies, Policies, and Activity Statements, plus an Indicative Rates Calculator and the Draft Long Term Plan Assumptions.

We look forward to hearing your thoughts on our Draft Long Term Plan for 2015 to 2025.



Garry Howard
Mayor



Paul Wylie
Chief Executive



OUR DISTRICT - Now and Into the Future

Reactive vs
Proactive
approach by
Council

The Choice

The present economic situation is beyond the Council's immediate control.

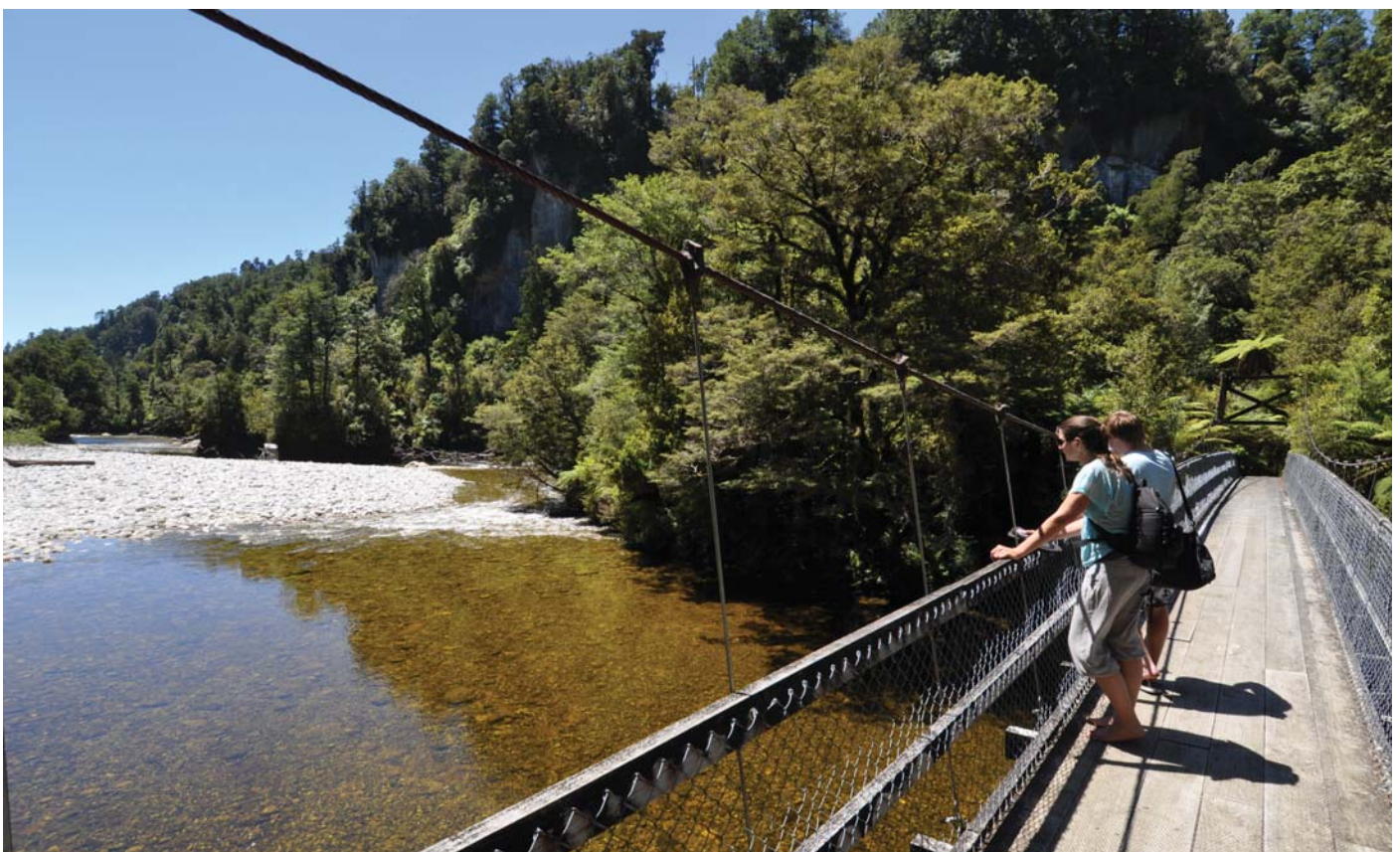
One long term approach would be to say that there is little that a council can do in such circumstances and that the district must simply accept its economic and social fate.

Acceptance of such a negative position would be acceptance that the district is in decline and that there is nothing that can be done to change that situation. Therefore the best strategic approach would be to plan for a managed downsizing to accommodate a long term residual post coal population of 6,000 to 7,000 relying on tourism and agriculture as economic mainstays. That is a valid but rather unpalatable option.

The alternative option is to accept that change is inevitable and to plan to position the district to make a new life for itself.

Over the next few years coal prices will recover and with that recovery the district economy will rebound. The district has many natural advantages arising from its unique natural assets and environment. Provided that there is a vibrant and flexible local economy that provides jobs, there is no reason why the population should not recover and consolidate on the back of a new more diversified and sustainable local economy. That is the option chosen by Council for this Draft Long Term Plan.

A new more diversified economy will not simply emerge by itself. Successful communities are built on an interlocking set of factors. We already have affordable housing and cheap land. Our schools are of the best quality and consistently turn out high achievers. Our health services are steadily moving forward in conjunction with the wider regional services. Our new air transport arrangements are first class. Recreational possibilities are endless and freely available. Crime rates are low and it is possible to enjoy a quality of life that is not possible in more heavily populated areas. However these factors are not enough. While a basic 'SWOT Analysis' (an evaluation of Buller's strengths, weaknesses, opportunities and threats) is very positive, it does show that there is more to be done if the district is to be truly competitive as a place in which to live and work and play.



Why do we need this?

Over the last decade the Buller District Council has spent almost \$87m investing in its assets. The Draft Long Term Plan recognises that this programme is still not finished and that another \$62.2m will need to be invested over the next decade in order that the district and its key towns can make the necessary transformation into modern attractive locations with all the quality services that are now expected in a 21st century community. We believe that if this is done well, the district will be seen as having achieved a unique blend of natural attributes, heritage, and digital connectivity. The details of these investments are set out in the balance of this consultation document.

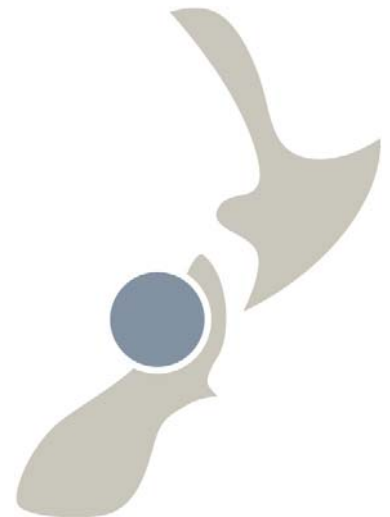
For progress to be sustainable it has to be affordable, both in the short and the long term. Over the last couple of years Council has put a major effort into cost control, and the benefits of this have become apparent in terms of the council gross operating costs. Councils gross operating costs, for the last full year ended 30 June 2014, were \$24.62m. During the first four years of this Draft Long Term Plan we expect to be able to hold gross operating costs to less than that 2013/2014 figure, even after absorbing inflation. As a result rates increases during the term of the Draft Long Term Plan are very low and below the predicted rates of inflation.

At the same time we have repositioned some expenditure without any reduction in service levels. West Coast Councils are working much more co-operatively these days and this added leverage has been used to enhance some services. Civil Defence is now run as a shared services drawing on the resources of all four Councils. We are also working with the councils and Development West Coast (DWC) to set up a tightly focussed Economic Developments service that will facilitate the desired economic diversification. In a similar fashion, we are looking to joint Councils support for Tourism West Coast in conjunction with the local tourism industry. Our own District Plan review will be coordinated with the other Coast Councils to enable a "Red carpet not red tape" set of planning rules that will protect our natural environment while empowering new forms of economic activity.

Council will also work closely with other Coast Councils and DWC to ensure that high speed broad band access to the internet becomes available across the district along with comprehensive mobile phone connectivity.

Financial Strategy

- Tight cost control
- Maintain existing service levels
- Work with other West Coast Councils wherever this can bring about enhancement and/or savings
- Maintain existing quality of assets and avoid deterioration
- Reposition or introduce new services only where these provide springboard for growth
- Maintain capital investment programme to complete transformation to a competitive modern district.
- Borrow for capital works or new developments where these provide a strategic advantage and Council stays within its financial prudence guidelines.
- Produce a balanced budget with small surpluses



KEY ASSUMPTIONS affecting the Plan

We have made the following ASSUMPTIONS.....

Population Assumptions

The March 2013 Statistics New Zealand Census recorded a total of 10,473 persons as being normally resident in the district. Anecdotally the district's population climbed above 11,000 persons during the peaks of economic activity experienced prior to the census date. Since that time world coal prices have plummeted. Coal prices remain at historically low figures. As a result coal mining activity in the district has contracted rather than expanded as was anticipated in the 2012/2022 Long Term Plan. With the loss of jobs the district has experienced a decline in population.

For the purposes of this Draft Long Term Plan we have assumed that the normal resident population as at 1 July 2015 is in the region of 10,000 and that there will be further declines in population to a base level of about 9,500 post the Holcim closure. We then expect the resident population to stabilise and start to rise as coal prices begin to recover as the district's economic diversity slowly expands. By the end of the 10 years covered by this plan we expect population levels to have recovered to about 10,500 persons.

Demographic changes

The main demographic trend forecast for the life of the plan is that of an ageing population. The proportion of the population over 65 years of age is predicted to increase from approximately 18% to 28% of the District over the next thirty years.

General Economic Assumptions

The biggest single economic activity in the District is coal mining for both thermal and steel making purposes. The District supplies coal to both domestic and export markets. Technological advances (such as fracking) elsewhere in the world have created a long term over supply situation for thermal coal exports and to a lesser extent steel making coal. The District still has large reserves of good quality steel making coal and in time this market is expected to slowly recover. On the face of things, this recovery should flow through to the Buller economy. Unfortunately the 'Bathurst experience' has blighted the industry's prospects in Buller and the investment necessary to rebuild coal mining activity may be slow coming forward without some more certainty emerging in the Resource Management Act/legislative area reluctance to invest is a major risk to the district's economic future.

Dairy farming remains strong and as prices recover this industry should continue to expand. However, with no processing in the district and increasing mechanisation of the industry, the number of new jobs created will not be large.

Reactive vs Proactive approach by Council

Will there be jobs?

Tourism remains as the most likely industry to achieve growth. The district abounds in natural attractions, historical features, ecological wonders, and walking, climbing and mountain biking opportunities. Historically these features have not been recognised by the tourist industry at large, with the district seen as a dead end location that could only be improved by a new road from Karamea to Collingwood.

While the through road is not a present possibility, there is now an increasing recognition that the district does have its own future as a tourist destination in its own right. To the north of the Buller River the Old Ghost Road mountain bike and walking trail has already attracted worldwide attention from adventure mountain bike enthusiasts. Hopefully this unique attraction will act as a catalyst that not only opens up an increasing range of mountain biking possibilities at all levels, but one that also improves recognition of the other eco-tourism and sightseeing features. There are a wide range of tourism projects underway across the District such as Reefton's "Town of Light" projects. When these other assets are coupled with existing world class attractions such as the Punakaiki Rocks and the Heaphy Track, the District has the potential to greatly improve both numbers of tourists and the average length of stay.

Council will work closely with the Department of Conservation, Tourism West Coast, and local tourism interests to foster growth and the associated employment opportunities. Tourism is not a panacea for the district economically, but in association with other industries it adds very significantly to the overall employment picture.

Holcim

The planned exit of Holcim and its cement making activity late in 2016 will be a major blow to the district's economy. Not only will the direct jobs be lost, but also many indirect jobs in businesses that have supplied Holcim with services. Westport Harbour will lose its major shipping customer and consequently the need to operate a dredge. While Holcim will continue to contribute to the local economy as it remediates the plant site, this will be short-lived. This Draft Long Term Plan anticipates that the closure of Holcim will move general economic activity to a new base level centred on a population of 9,500.

This Draft Long Term Plan anticipates a gradual recovery from a post Holcim low point. The District has considerable experience of "boom/bust" cycles. Over the years the district has proved itself to have extensive resilience. For this reason the Draft Long Term Plan anticipates that other specialist and service industries in the District will continue at today's levels of activity. However the Draft Long Term Plan does not automatically anticipate that this baseline activity is safe from further erosion. Across New Zealand, many rural and provincial communities are facing population decline. Unless the Council and the community take positive measures to counter this trend it is probable that Buller will suffer the same fate. Therefore there is an assumption that Council must take a series of well thought out steps to strengthen and even expand the districts economic activity by encouraging and enabling economic diversification.

Will the government still help with our roads?

New technologies

If the District is to have a more diversified economic future it must be able to offer both existing and new residents more than just a moderate climate, affordable housing, good schools and health services and an unpolluted environment. Modern society demands access to modern technologies, especially quality high speed broadband and mobile phone connectivity. These technologies are not currently widely available across our District. Failure to achieve acceptable levels of coverage is unacceptable and a major limitation in terms of economic development. This Draft Long Term Plan assumes that Council will take a strong advocacy lead in a drive to extend broadband and mobile connectivity across all populated parts of the District. The Draft Long Term Plan assumes that this can be achieved with minimal ratepayer contribution.

Will we keep up-to-date?

Climate Change

Climate change factors that could affect Buller district include sea level rise and more extreme weather events. In the longer term coal mining as an industry may not be viable. This Draft Long Term Plan assumes that the planned review of the Council's District Plan will make allowance for these factors. At the same time Council will work with the West Coast Regional Council to establish an improved early warning system and possibly stopbank protection against river flood or sea side erosion.

What do we need to allow for?

Roading Funding

The New Zealand Land Transport Authority (NZTA) has recently completed a review of its Financial Assistance Rate (FAR) provided to Councils roading programmes. Prior to the review the general rate of assistance was limited to 58%, with Special Highway 100% assistance for the Karamea Highway. The review has established a new general Financial Assistance Rate of 61% for the 2015/2016 year and this rate will increase by 1% each year thereafter until it reaches 63%. The Karamea Highway 100% assistance rate is guaranteed for the 2015/2016, 2016/2017 and 2017/2018 years only. At the same time the review requires all financial assistance for roading programmes to be judged in terms of the new classifications in the 'One Network' programme.

This Draft Long Term Plan assumes that once the 63% general financial assistance rate is reached it will continue at that rate for the rest of the term of the Draft Long Term Plan. A similar assumption is made that the Karamea Highway 100% financial assistance rate will continue for the full term of the Draft Long Term Plan or, alternatively, that the road will revert to be part of the State Highway network maintained by NZTA. The Draft Long Term Plan also assumes that the present levels of service applied to the District's roads will not be materially different from any new levels established by the 'One Network' classifications. The consequence of these assumptions is that the cost (before inflation) of roading to the ratepayer will marginally decrease during the first three years of the Draft Long Term Plan before stabilising.



Water Supplies

The Health (Drinking Water) Amendment Act 2007 requires drinking water suppliers such as Council to take all practical steps to comply with the New Zealand Drinking Water Standards 2005. This Draft Long Term Plan assumes that it is reasonably practical (subject to the attainment of satisfactory subsidies where these are available) to upgrade the water supplies in Waimangaroa, Ngakawau-Hector, Little Wanganui. In each case, the relevant community will be consulted before any final decision is made but for planning purposes an appropriate provision has been made for the estimated capital expenditure and ongoing operating costs.

What do we have to do about our water?

KEY ISSUES affecting the Plan

**WATER
is our
TOP
PRIORITY!**

Water is our TOP Priority

Westport Water Upgrade

Stage 1 of the Westport upgrade has been completed.

Stage 2 is in the design stage.

Council considered two options for Stage 2:

Option 1:

Immediate replacement of the Westport trunk main in 2015/2016 at a cost of \$3.8m. In addition Council has applied to the Ministry of Health for subsidy from the Drinking Water Assistance Programme to pipe tunnel one at a cost of \$1.6m. This option represents a total capital expenditure of \$5.4m in 2015/2016.

Option 2: (proposed option)

This is the option proposed in the Draft Long Term Plan.

Defer immediate replacement of the Westport trunk main pending further investigation of the condition. Still pipe tunnel one at a cost of \$1.6m with an anticipated subsidy of \$0.75m in 2015. An amount of \$100,000 has been allowed to undertake an investigation of the trunk main to Westport to determine the optimum timing and lengths of pipe to be replaced. An amount of \$4.1m (\$3.8m escalated by inflation) has been provided for in 2017/2018.

Option 2 was chosen in the plan as it:

- **Immediately addressed the reliability of the Westport water supply**
- **Allowed time to accurately determine the scope of the pipe replacements to be undertaken.**

Rural Drinking Water Upgrades

We believe that providing clean safe water is important. Consultation will be undertaken with each community separately regarding Drinking Water Supply upgrades.

Waimangaroa

The Waimangaroa water upgrade was expected to proceed as planned after successfully gaining additional funding from the Ministry of Health. A community vote was held which indicated the support of the community to proceed.

Unfortunately recent storm damage to the primary water intake has meant that the previously approved scheme is no longer viable.

Currently Council staff are working with the Waimangaroa community to establish temporary supplies while at the same time investigating possible long term solutions. It is expected that any new source will require a different form of treatment and that this may well be more expensive.

The Ministry of Health has been advised of the situation and asked to put the original application and subsidy on hold. In due course Council will seek new approval and subsidy (if available). Given the present uncertainty, the Draft Long Term Plan continues to be based on the original scheme. When the cost of future requirements has been established a revised Waimangaroa water rate will be required and it is expected that this will be effective from year two of the Draft Long Term Plan.

Ngakawau-Hector

The Ngakawau/Hector drinking water supply upgrade has been deferred until 2015/2016 to address community concerns and issues around scheme design and ownership. This Draft Long Term Plan has been prepared on the basis that Council owns the scheme. A stage 2 Application for additional funding has been lodged with the Ministry of Health, and upgrade works are proposed to take place in 2015/2016. The cost of the upgrade is forecasted to be \$553,000 and a subsidy of \$470,000 is anticipated to be received from the Ministry of Health.

At present the Council is working with the Ngakawau/Hector community to resolve the issues associated with the scheme. For the purposes of the Draft Long Term Plan it is assumed that the scheme will proceed as planned. However any final decision will be subject to community consultation.

Inangahua Junction

Capital totalling \$223,000 has been carried forward for the upgrade to the Inangahua Junction water supply. Council has applied for a subsidy of \$190,000 from the Ministry of Health.

South Granity

An upgrade costing \$359,000 is scheduled for 2015/2016. Council has applied for a subsidy of \$304,814 (*) from the Ministry of Health.

Little Wanganui

A subsidy application for \$474,000 has also been lodged for Little Wanganui water supply. The cost of the upgrade in 2016/2017 is estimated to be \$596,000.

Note:

Council has assumed, for the purposes of the Draft Long Term Plan, that all of these upgrades will continue. However all upgrades are contingent on obtaining financial assistance from the Ministry of Health, and overall community affordability. The impact on targeted rates from all upgrades can be determined from **page 17**.

Karamea Water Supply

In the 2013/2014 Annual Plan Council committed to investigate if a reticulated and treated water supply for Karamea, including Market Cross, could be established.

Stage 1 encompassed identifying a suitable water source. This entailed drilling a test borehole, designing a water treatment system, reservoir and pipework. A good quality water supply was found in quantities that are sufficient for a reticulated supply for Karamea. The cost of the exploratory work was \$150,000 and this was largely funded by a Ministry of Health subsidy.

In total the cost of the water supply was estimated to be \$1.7m and the total subsidy was \$1.4m with the local share being loan funded. Targeted rates were estimated to be \$667.

Buller District Council consulted with the Karamea community and the community voted against the proposal. The proposed water scheme will not go ahead and the status quo will remain. The Ministry of Health has been advised of the result.

* This is the latest estimate. A lesser figure has been used in the financial accounts than was used in the Draft Long Term Plan. Updated figures will be used in the Final Long Term Plan. Any higher subsidy from the Ministry of Health would reduce the impact on current estimated rates.

District Diversification

Economic Development including Tourism

One of the main thrusts of the Draft Long Term Plan is support for existing economic activity and diversification into new forms of economic enterprise. Council has recognised that previous endeavours have not been as successful as may have been hoped and that the mixture of part general rate/part target rate support and poorly focused expenditure was not well received by many commercial ratepayers. A new focused approach is called for.

General Economic Development Support

Council is committed to economic development and diversification and recognises that this can be best achieved by local action combined with a 'whole of Coast' effort combining the efforts of all four West Coast Councils and Development West Coast.

All four Councils have approved a West Coast Economic Development Strategy. This strategy is expected to be a spring board for economic development. It is intended that Development West Coast (DWC) will provide a basic resource in the form of one full time resource, jointly funded by the West Coast Regional Council and DWC. Over time it is anticipated that the central resource will work in conjunction with part time staff members located at each of the three District Council offices. The Draft Long Term Plan assumes that this will occur in the next financial year in the Buller District.

Council estimates that this general economic development support will cost \$67,000 each year which will be funded from the general rate.

Tourism Support

Council recognises the potential of tourism throughout the whole district and accepts that a vibrant tourism industry creates economic benefits to all sectors of our community. Council also recognises that the District tourism goals are best fulfilled when the efforts of our Council are combined with those of other West Coast Councils and the efforts of the local tourism industry.

Council's Tourism funding will be allocated to the following:

- Council will continue to support Tourism West Coast by way of an annual grant in co-operation with other West Coast territorial authorities. In addition, Council will provide a part-time staff resource to ensure a local district presence for Tourism West Coast.
- Council will provide funding assistance by way of annual grants to tourism activities such as i-Sites.
- Council will consider support of major events that provide significant tourism promotion. Such support will be on a case-by-case basis.

Council's on-going expenditure will be conditional on the local tourism industry working with other West Coast Councils and Tourism West Coast to promote the entire West Coast region. Council's direct support will be capped and continued support will only be available if the Council can be satisfied that the tourism industry has organised itself to a membership structure that provides any additional funding requirements from its own sources.

In the Draft Long Term Plan, total year one funding for direct tourism support expenditure funded from the general rate is estimated at \$226,000.

Museum Support

Council is committed to assist with the preservation of the District's treasures and heritage. Museums play an important part in the tourism experience while also enhancing the local culture. Council provides financial assistance to independent museums located in our communities in the District.

The Council will be funding \$149,000 from the general rate in 2015/2016. There has been no change in the level of museum funding previously provided in 2014/2015.

Change in funding

Council agreed to discontinue with the targeted rate for District Promotion and Tourism. All activities associated with district development, promotion and museum funding will be funded through the general rate, especially the commercial differentials.



**District
Development &
Diversification
is Important!!**

Council Property & Earthquake Strengthening

Council has a large investment in property in both Westport and Reefton.

- Carnegie Library
- Sue Thomson Casey Memorial Library
- Clocktower Council Chamber
- Brougham House
- Reefton Service Centre
- Reefton Community Centre
- NBS Theatre

We need to address Council property risks.

Council needs to be sure that it is getting best value from these significant assets. At present the utilisation of different buildings is patchy with some struggling to cope while others sit empty. For some time there has been a recognition that "lazy" assets need to be made to work, or disposed of, if they are not being held for some future purpose. Council also needs to consider how it will deal with earthquake strengthening requirements. Council has an obligation both to its staff and to its community users to ensure that it is taking reasonable steps to address any buildings that do not meet current earthquake safety standards.

Under the new Better Local Government legislation Council has a statutory requirement to take a 30 year plus asset management approach. Good stewardship and prudent use of ratepayer money would suggest that there is no point in spending money unless the finished building is fit for purpose for at least the next 25 years. Overall there would also appear to be an opportunity to rationalise the building stock and to release some capital tied up in buildings that may not be required in the future.

There is also a need for urgency. Due to public health and staff safety, Council is required to deal with earthquake risks. The value of any earthquake expenditure can be significantly enhanced if it is undertaken with a renovation and rationalisation programme.

We need to invest in our towns!

Westport Buildings

Initially Council considered four options:

Council eventually decided that the best approach would be to adopt a staged approach based on Option 2

This will only be addressed after completing water upgrades district-wide.

Option 1:

Strengthening, modernising, and extending Brougham House to provide a long term solution for Council offices and Council Meeting Room.

Stage 1: (2014/2015)

~ Immediate strengthening of **Brougham House** to bring it up to a minimum of 34% of the New Building Standard. (\$30,000).

Option 2:

Modernising, and extending the Clocktower to provide a long term solution for Council offices and Council Meeting Room.

Stage 2: (2018/2019)

~ Modernise and extend the **Clocktower Building** to provide a long term solution for Council offices and Council meeting room.
~ Sell Brougham House.
~ Minor strengthening of Victoria Square grandstand building.
~ Net cost of \$2.7m to be funded from debt.
~ The impact on rates is estimated to be an increase of 1.5% in total rates from 2018/2019.

Option 3:

Modernising, and extending the Clocktower to provide a long term solution for a Community Cluster Library.

Stage 3: (2019/2020)

~ Relocation of **Sue Thomson Casey Memorial Library** to the renovated and modernised **Carnegie Library** and neighbouring buildings (\$3m).
~ Net cost of \$3.0m to be funded from debt.
~ The impact on rates is estimated to be an increase of 1.5% in total rates from 2019/2020.

Option 4:

Modernising, and extending the Clocktower to provide a long term solution for a Community Cluster Library, and the Council offices and Council Meeting Room.

Stage 4: (2020/2021)

~ Civic Centre Urban Improvements. (\$570,000)
~ Net cost of \$0.6m to be funded from depreciation reserves.
~ The cost is to be funded from reserves and the additional depreciation cost will represent a 0.3% increase in total rates.

Staged approach to Westport Building upgrade.....

This staged approach was preferred because it means by the end of the Draft Long Term Plan, the following will have been achieved:

- Creation of a "Westport Town Heart" as suggested by various consultants to council over past years. This solution will create a town square and focal central civic hub using the iconic Clocktower as the heart of the town centre. This will also integrate the Coaltown museum and i-Site into the central precinct. It will create links to the river front edge and proposed walking tracks. Westport will achieve a new image.
- Immediate earthquake risks managed by strengthening unsafe buildings to above 34% of the New Building Standard (NBS).
- Long term earthquake risk is managed by upgrading and strengthening those buildings that are retained to above 67% of New Building Standard .
- Increased utilisation of the Clocktower and eventual recovery of the historic Carnegie building as a fully functioning component of a modern community cluster library
- Building stock rationalised and future of Clocktower and Carnegie assured

While Council was keen to address the immediate risk to staff and members of the public using Brougham House, it also took the view that the preferred option for the buildings should not take priority over the upgrading of water supplies. As a result the actual timing of the capital expenditure on the Westport buildings will follow the water upgrade works.



Reefton Community Centre

The possible need for earthquake strengthening of the Community Centre was investigated in December 2013. That analysis determined that the building structure is an 'earthquake prone' building under the Building Act as it has less than 34% of the strength required by the New Building Standard (NBS), which is the seismic design loading for a new building.

In November 2014 Council referred the information relating to the Reefton Community Centre to the Inangahua Community Board (ICB) with a request that the Board urgently consult with its community as to the present situation, and seek alternatives, if any, and that the Board be requested to report back to full Council by January 2015. Initially the ICB responded by seeking Council approval to develop a brief that incorporated and recognized the communities wish to retain the heritage character of the building (theatre) by enhancing the external façade while upgrading the internal facilities (including the seating). However, subsequent to the December ICB meeting some alternative thoughts emerged amongst ICB members. In particular members had some interest in the possibility of a parallel investigation of an option to build a new purpose-built 'boutique' 60-seat theatre in place of the existing 400 seat theatre. Since that time more alternatives have emerged such as the construction of a boutique theatre within the existing performance theatre (leaving a reduced size performance theatre). As a complete alternative a new multi-use facility has also been proposed for the Reefton racecourse site.

Council has several concerns that it wishes to address. As building owner and regulatory body it needs to ensure that its buildings are safe for public use. On behalf of ratepayers

it is concerned that the existing wooden buildings are very high maintenance and are expensive to heat, and that the theatre is poorly utilised. As an immediate step Council has required that the seating capacity of the performance theatre is reduced to 260 seats. This will ensure that the theatre meets 34% of the National Building Standard. While Council wishes to protect Reefton's heritage where possible, it notes that the buildings have no heritage status and that Heritage New Zealand does not wish to intervene. Council also notes that the town is well served with alternative halls.

In light of the above the Council has resolved that it will continue to seek some community consensus (via the Inangahua Community Board) on a way forward. The Council has also agreed to provide basic funding for earthquake strengthening and fire protection for any agreed final choice, and that it will expect the Reefton community to fundraise for any optional refurbishment.

This Draft Long Term Plan has been prepared on the basis that \$130,000 will be available in the 2015/2016 year to provide earthquake strengthening and fire protection for the hall/gymnasium and foyer. While it is expected that this expenditure will resolve issues around the hall/gymnasium, the issues relating to the old performance theatre remain unresolved. A further sum of \$358,000 (inflation adjusted) has been provided for the 2016/2017 year for some yet to be determined scheme. The Council will work closely with the Community Board to determine some resolution.

Council has requested the Inangahua Community Board seek community opinion and to make a firm recommendation to Council by 1 September 2015.



We don't have an ideal rating system!

Rating System Review

The 2012/2022 Long Term Plan noted that a Rating Review was long overdue. The existing system had been heavily modified over time and evolved into a complex structure with more than 40 different categories of ratepayers all being rated on a unique basis. This gave rise to questions about equity and fairness.

The newly elected Council commenced the long promised review in early 2014 and spent considerable time analysing the issues and considering the possibilities for change. In particular the Council noted that over the past decade the Council had shifted from relying on value based progressive rates for about 60% of its rates revenue to only 40%. At the same time Council had moved from 40% reliance on uniform or fixed target rates, to nearly 60%. The overall result was a regressive system that impacts significantly on low value urban properties where ability to pay is a concern.

A draft rating policy and methodology was adopted as a basis for consultation at the 29 October 2014 Council meeting, and minor amendments were adopted at a special Council meeting on 18 November 2014. This draft methodology was agreed as a tentative draft proposal to be put before the community for consultation. A series of four information packs were posted to every ratepayer and follow-up public meetings were held at Karamea, Ngakawau, Westport, Punakaiki and Reefton during the process.

Written submissions closed on 14 January 2015 with 449 submissions received. Councillors also heard those who

wished to speak to their submissions in January 2015.

The outcomes of the submission community consultation process identified a number of areas which Councillors would like to address or revisit. As a result Council resolved to extend the Rates Overhaul Project so that any possible new rating system would be deferred until 1 July 2016.

Council will continue to work on this significant project through 2015 and 2016 and it is anticipated that a new rating system be developed for implementation on 1 July 2016.

While any new rating system may alter the way rates are assessed and collected, this has no effect on the amount of rates to be collected, and therefore no impact on any figures in this Consultation Document, apart for the individual rating examples. For the purposes of both the Draft Long Term Plan and this Consultation Document all rating examples have been calculated on the basis of the existing rating system.

IT'S EASY TO WORK OUT YOUR RATES

$$\begin{aligned}
 & \text{RATES} = \\
 & \quad [\text{Land Value/Capital Value}] \\
 & \quad \times [\% \text{ Value/Fixed Amount}] \\
 & \quad \times \left[\frac{\text{Differentials / No Differential}}{\text{Exacerbators/Benefits/Ability to Pay}} \right] \\
 & \quad \times [\text{General Rate/Targeted Rate}] \\
 & \quad + [\text{UAGC} = \{\text{UAGC} \\
 & \quad + \text{Other Uniform Targeted Rates} \\
 & \quad - \text{Water and Sewerage Targeted Rates} \\
 & \quad < 30\% \times \text{Total Rates Revenue}\}] \\
 & = \$ \text{ TO PAY ?} \\
 & \text{YEAH RIGHT!}
 \end{aligned}$$

Housing for the Elderly

Increase in rentals and deferrals of construction of new units.

Council has reaffirmed that pensioner housing must be self-funding. This means that rentals have to increase to cover operating costs. This increase rate will be higher than the increase in Superannuation. Rental supplements are available from the Ministry of Social Development, if the tenant qualifies. Refer to the Draft Long Term Plan (page 115) for more details.

In the 2015-2025 Draft Long Term Plan Council has proposed that the planned construction of new units (as per the 2012-2022 Long Term Plan) is deferred as we await feedback on government policy. Council will also explore moving to a Council Trust to determine if this offers any financial advantages from a funding perspective.

This will mean deferring the additional units planned to be constructed for Reefton (\$543,000) and Westport (\$642,000) until 2018/2019.

The existing units are maintained and the amount of depreciation is capped at the level required to meet loan principal repayments and minor capital renewals only. If no new units or replacement are planned then there is no purpose providing additional depreciation funds for that purpose.



We are addressing the KEY RISKS facing our Community

Impact of Holcim Cement Plant Closure

The loss of Holcim and its cement making activity in late 2016 will be a major blow to the economy. Not only will the District lose many direct jobs, but also many indirect jobs in businesses that have supplied Holcim with services. Westport Harbour will lose its major shipping customer and consequently the need to operate a dredge.

There are direct rating consequences as a result of the closure of Holcim. Council will need to reclassify the port in 2016/2017 and the loss of rating income from this sector will be redistributed across all other sectors.

Council has decided that when the port operations cease the rating impact will be fully absorbed across all sectors in the financial year that this change occurs. It is anticipated that this will increase rates across all sectors by approximately 1.15% in that year.

Council was provided with an alternative option to smooth any rating transition across a period of years. This would have meant a gradual increase of 0.05% across 4 years.

We have anticipated that Holcim will continue to remediate the Cape Foulwind site for the duration of the 10 year plan. When Holcim does fully withdraw from Westport, and its land is reclassified, there will also be direct rating consequences. Once again the loss of rating income from this sector will be redistributed across all other sectors.



Karamea Special Purpose Road

The Karamea Special Purpose Road was previously state highway and following agreement, was transferred to Buller District Council management with 100% subsidy from the New Zealand Transport Agency as a designated special purpose road. This road provides a vital lifeline to the Karamea community, Heaphy Track access and is a daily route for dairy tankers.

An estimated \$60m of agricultural product passes across the road each year, with tourist traffic providing additional economic value.

The Karamea Special Purpose Road traverses very difficult terrain with sheer steep drops either side of the road. The known original construction methodology of a tree 'corduroy' foundation has made the road very susceptible to large slumping and drop outs as the old trees rot and compact.

The issues associated with the management and maintenance of the Karamea Special Purpose Road are known and managed where possible. Due to the original construction and physical terrain, risk mitigation at reasonable cost is determined on a case by case basis.

The long term costs of maintaining and keeping the Karamea Special Purpose Road in operation are unknown, but will

be considerable given the nature of the terrain it traverses. Similar roads in New Zealand are State Highway 60 (Motueka to Collingwood) and State Highway 2 (Wairoa to Gisborne). All three roads experience similar terrain induced maintenance issues, with State Highway 60 and 2 being fully managed and maintained by NZTA and their contractors.

Recently the New Zealand Transport Agency have indicated to the Buller District Council that it is proposed that the Karamea Special Purpose Road may lose its designation and revert from 100% subsidy to the Buller District Council's financial assistance rate of 63%, with a three year phase-in period.

In examining the unquantifiable risk associated with the long term maintenance of the Karamea Special Purpose Road, the financial risks associated with this proposal are considered to be beyond the financial resources of Buller District Council's ratepayers to fund.

At this stage we have assumed that funding for the Karamea Highway will continue at 100%. If this does not eventuate Council has assumed that the Karamea Highway will revert to a State Highway.



One Network Road Classification System

This is a joint initiative between the New Zealand Transport Agency (NZTA) and Local Government New Zealand has introduced a road classification system for all roads in New Zealand.

The classification system aims to:

- deliver similar driving experience across New Zealand.
- support more consistent asset management across the Country.
- make collaboration and prioritisation between those organisations responsible for the planning, delivery, operation and maintenance of the nation's roading network, leading to a more efficient and safer network and improved value for money.

This will introduce different levels of service across roads of different classification. This allows NZTA and the Road Controlling Authority access to better information on where to make better investment decisions.

Council has undertaken the classification using the criteria developed by the joint initiative. Council has also collaborated with Westland and Grey District Councils to ensure that there is regional consistency. The Councils have collectively looked at the criteria that is important to the region and this has been used to refine the categories.

NZTA will be setting levels of service for the different roading classifications at the time of release of the Draft Long Term Plan. The technical service levels have not been released. The risk Council faces is how these levels of service are interpreted funding investments by NZTA.

Council has assumed that there will be no change in the roading levels of service currently provided to our community. If a change in service levels does eventuate during the term of the Plan, our Council will be faced with two choices.

1. Change the current level of service provided to that set by NZTA
2. Fund the difference between the current service level and that proposed by NZTA from ratepayer contributions

At this stage the rating effect of this risk cannot be quantified as the proposed levels of service have not been set by NZTA.



KEY CHANGES to Policies

New Significance and Engagement Policy

In October 2014 Council adopted a Significance & Engagement Policy. The legislation now requires that we advise you of the policy and offer you a chance to comment on it.

The purpose of the Policy is to clearly outline how significant issues, proposals, assets, decisions and activities of Council are determined, as well as spelling out how and when our community can expect to be engaged in Council decisions. This new policy was used to identify the key issues for this Consultation Document.

Significance

There are several factors that we will consider when deciding how significant an issue is:

- How much money is involved?
- Will levels of service be significantly affected?
- Does the issue affect a large portion of the community? What is the likely impact on present and future interests of the community?
- Is community interest in the issue high? Have the community already made their views known? Are the likely consequences controversial?
- What type of engagement has been used in the past for similar proposals and decisions?
- Is there a legal requirement to engage with the community? Does the matter involve a strategic asset?

If a proposal or decision is affected by a number of the above, then it is more likely to have a higher degree of significance. In general, the more significant an issue, the greater the need for community engagement. The diagram below illustrates this.



We will still use the special consultative procedure as set out in Section 83 of the Local Government Act 2002 for some things, such as bylaw reviews and adoption of our strategic plans, e.g. Long Term Plan, District Plan.

Engagement

Community engagement provides an opportunity for our community to express their view on decisions or proposals being considered by Council. These views are considered and taken into account by Council when making a final decision on the issue, along with other information such as costs and benefits, legislative requirements and technical advice.

It will not always be appropriate or practicable to conduct processes at the collaborate end of the spectrum. Many minor issues will not warrant such an involved approach. Time and money may also limit what is possible on some occasions.

The full Significance & Engagement Policy can be read on our website, www.bullerdc.govt.nz/ltp

We have included a Community Engagement Guide in the policy which identifies the form of engagement Council may use to respond to some specific issues. It also provides examples of types of issues and how and when communities could expect to be engaged in the decision making process. This is available on Council's website and from Council offices and libraries.

What is really important, and how do we talk to you about those things?



Treasury Management Policy

The Buller District Council is considering participating in the New Zealand Local Government Funding Agency Limited (LGFA).

Council is proposing participating in the LGFA Scheme because it believes it provides an opportunity that will enable it to borrow at lower interest rates. This will reduce our operating costs and help minimise rates increases.

Council has the option to either participate as a guaranteeing Local Authority or as a borrower.

There are 43 member Councils participating in the Local Government Funding Agency.

The LGFA was established by a group of local authorities and the Crown to enable local authorities to borrow at lower interest rates than would otherwise be available. It has been very successful fulfilling this aim.

All local authorities are now able to borrow from the LGFA, but different benefits apply depending on the level of participation.

Options Considered

The reasonably practicable options are as follows:

1. Participate in the LGFA Scheme as a Guaranteeing Local Authority.
2. Participate in the LGFA Scheme as a borrowing Local Authority.
3. Not participate in the LGFA Scheme.

Guaranteeing Local Authority

As a Guaranteeing Local Authority, borrowing costs would be the lowest available in the scheme but Council would be exposed to underwriting agency losses. Council is of the view that the risks associated with being a Guaranteeing Local Authority outweigh the rewards.

Borrowing Local Authority

As a borrower Council will be required to subscribe for borrower notes equivalent to 1.6% of any amount we borrow. These borrower notes provide a form of guarantee that is lower than the Guaranteeing Local Authorities. The cost of funding would be marginally higher but Council only risks the conversion of the borrower notes into equity if the LGFA ever faced the unlikely event of default.

In this draft Long Term Plan Council is proposing to participate in the LGFA Scheme as a borrowing Local Authority, as we believe that this will lower costs for ratepayers, without incurring any unfavourable risk.



RATES – How they impact you

Rate Assessments

Rates assessments are made up of two types of rates. Broadly speaking there are General Rates and Target Rates.

Everybody pays something in the form of a general rate which is based in the first instance on the land value of your property. General rates are value based and the amount payable rises in accordance with the amount of land value. General rates are also affected by the use category defined for each property. Some categories pay at higher rates and some pay at lesser rates.

Target rates are only payable by those properties in a certain geographical area, or those deemed to be in receipt of a particular benefit. Target rates can be calculated on a Value basis or a Uniform basis. All of Council's present target rates are calculated on a uniform or flat basis whereby all ratepayers irrespective of the value of their property pay the same amount.

Uniform Annual General Charge (UAGC)

There is only one target rate that is applicable to all properties and this is known as the Uniform Annual General Charge or UAGC.

The Uniform Annual General Charge for Year one of the Draft Long Term Plan is \$413.04 (GST Exclusive).



Other Targeted Rates

Water and sewerage targeted rates are increasing mainly due to drinking water supply upgrades and the financing and depreciation costs associated with these upgrades. Targeted rates are also increasing due to inflation.

Solid Waste targeted rates have decreased for all of Zone 1 and Karamea due to lower operating costs.

Targeted Rates (rounded) (exclusive of GST)	2015/2016 \$	2016/2017 \$	2017/2018 \$	2018/2019 \$	2019/2020 \$	2020/2021 \$	2021/2022 \$	2022/2023 \$	2023/2024 \$	2024/2025 \$
Solid Waste:										
Zone 1	126	126	129	135	139	143	148	152	158	163
Maruia	85	90	90	95	95	100	105	110	110	115
Karamea	85	85	87	89	90	95	97	99	104	107
Sewerage:										
Westport	810	840	860	870	890	930	970	970	970	970
Reefton	530	560	610	650	690	710	750	790	820	850
Little Wanganui	610	630	660	700	730	760	800	830	850	900
Water Supplies:										
Westport	630	670	700	740	760	800	820	830	870	910
Reefton	510	520	530	550	580	600	620	640	670	690
Little Wanganui	170	175	370	380	390	400	410	420	430	440
Mokihinui	235	245	250	260	265	275	285	300	310	325
Ngakawau-Hector	290	300	310	320	330	340	360	370	380	400
Waimangaroa	325	335	345	355	370	380	395	410	425	445
Punakaiki Water	615	640	660	680	700	725	755	785	815	850
Inangahua Junction	240	250	260	270	275	285	295	310	320	335
South Gracity	240	250	255	265	270	280	295	305	315	330

Rating Examples

2015/2016 Rating Examples with comparison to previous years

SECTOR Location	Res 101 Karamea	Res 103 Little Wanganui	Res 103 Mokihinui	Res 103 Seddonville	Res 104 Hector	Res 104 Waimangaroa
Land Value	\$48,000	\$57,000	\$76,000	\$40,000	\$53,000	\$55,000
General Rates	121.43	185.03	246.71	129.85	148.23	153.83
UAGC	413.04	413.04	413.04	413.04	413.04	413.04
Targeted Water Rate	-	170.43	234.78	-	290.43	325.22
Targeted Sewer Disposal Rate	-	610.43	-	-	-	-
Targeted Solid Waste Rate	85.22	85.22	126.09	126.09	126.09	126.09
NET RATES	\$619.69	\$1,464.16	\$1,020.62	\$668.98	\$977.80	\$1,018.17
GST	\$92.95	\$219.62	\$153.09	\$100.35	\$146.67	\$152.73
TOTAL RATES	\$712.65	\$1,683.79	\$1,173.72	\$769.32	\$1,124.47	\$1,170.90
Comparison to Previous Year	\$722.72	\$1,647.41	\$1,172.89	\$778.47	\$1,121.77	\$1,163.25
% Change	(1.39%)	2.21%	0.07%	(1.17%)	0.24%	0.66%
KEY: Res (Residential)	Com (Commercial)	RR (Rural Residential)	Rur (Rural)			

SECTOR Location	Res 106 Westport (Brougham)	Res 106 Westport (Russell)	Res 108 Carters Beach	Res 113 Charleston	Res 114 Punakaiki	Res 101 Ikamatua
Land Value	\$86,000	\$83,000	\$99,000	\$77,000	\$210,000	\$48,000
General Rates	573.07	553.07	490.29	239.12	803.22	121.43
UAGC	413.04	413.04	413.04	413.04	413.04	413.04
Targeted Water Rate	630.43	630.43	630.43	-	614.78	-
Targeted Sewage Disposal Rate	810.43	810.43	810.43	-	-	-
Targeted Solid Waste Rate	126.09	126.09	126.09	126.09	126.09	126.09
NET RATES	\$2,553.07	\$2,533.07	\$2,470.29	\$778.26	\$1,957.13	\$660.56
GST	\$382.96	\$379.96	\$370.54	\$116.74	\$293.57	\$99.08
TOTAL RATES	\$2,936.03	\$2,913.04	\$2,840.83	\$894.99	\$2,250.70	\$759.65
Comparison to Previous Year	\$2,903.07	\$2,879.90	\$2,807.14	\$905.10	\$2,237.76	\$768.72
% Change	1.14%	1.15%	1.20%	(1.12%)	0.58%	(1.18%)
KEY: Res (Residential)	Com (Commercial)	RR (Rural Residential)	Rur (Rural)			

SECTOR Location	Res 115 Reefton	Res 101 Springs Junction	Com 131 Karamea	Com 134 Westport	Com 140 Reefton	Rur 141 Karamea
Land Value	\$48,000	\$38,000	\$105,000	\$235,000	\$90,000	\$810,000
General Rates	207.50	96.13	1,390.99	6,115.85	977.33	1,420.90
UAGC	413.04	413.04	413.04	413.04	413.04	413.04
Targeted Water Rate	510.43	-	-	630.43	510.43	-
Targeted Sewer Disposal Rate	530.43	-	-	810.43	530.43	-
Targeted Solid Waste Rate	126.09	85.22	85.22	126.09	126.09	85.22
NET RATES	\$1,787.50	\$594.40	\$1,889.25	\$8,082.35	\$2,557.33	\$1,916.02
GST	\$268.13	\$89.16	\$283.39	\$1,214.38	\$383.60	\$287.87
TOTAL RATES	\$2,055.63	\$683.55	\$2,172.64	\$9,310.23	\$2,940.93	\$2,207.03
Comparison to Previous Year	\$2,013.45	\$680.40	\$3,048.62	\$10,070.27	\$3,135.77	\$2,228.53
% Change	2.09%	0.46%	(28.73%)	(7.55%)	(6.21%)	(0.96%)

KEY: Res (Residential) **Com** (Commercial) **RR** (Rural Residential) **Rur** (Rural)

SECTOR Location	Rur 143 Cape Foulwind	Rur 141 Grey Valley	RR 151 Karamea	RR 152 Granity	RR 151 Fairdown	RR 152 Alma Road
Land Value	\$1,550,000	\$1,870,000	\$131,000	\$125,000	\$160,000	\$180,000
General Rates	2,106.42	3,280.35	383.71	345.99	468.65	498.22
UAGC	413.04	413.04	413.04	413.04	413.04	413.04
Targeted Water Rate	-	-	-	-	-	-
Targeted Sewer Disposal Rate	-	-	-	-	-	-
Targeted Solid Waste Rate	126.09	126.09	85.22	126.09	126.09	126.09
NET RATES	\$2,645.56	\$3,819.48	\$881.97	\$885.12	\$1,007.78	\$1,037.35
GST	\$396.83	\$572.92	\$132.30	\$132.77	\$151.17	\$155.60
TOTAL RATES	\$3,042.39	\$4,392.40	\$1,014.26	\$1,017.88	\$1,158.95	\$1,192.95
Comparison to Previous Year	\$3,068.92	\$4,429.25	\$1,026.64	\$1,028.93	\$1,171.07	\$1,205.33
% Change	(0.86%)	(0.83%)	(1.21%)	(1.07%)	(1.04%)	(1.03%)

KEY: Res (Residential) **Com** (Commercial) **RR** (Rural Residential) **Rur** (Rural)

Refer to Funding Impact Statement for Sector Code details in the full Long Term Plan (page xx).

Summary Financial Statements

	AP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025		
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000

FORECAST STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

Total Operating Revenue	25,104	23,975	23,689	26,626	24,373	24,921	25,860	26,356	26,506	27,622	29,566		
Total Operating Expenditure	23,477	22,441	23,172	23,669	24,314	24,917	25,493	25,647	26,646	27,422	28,178		
Net Surplus (Deficit) Before Taxation	1,627	1,534	517	2,957	59	4	367	709	(140)	200	1,388		
Income Tax Expense	0	0	0	0	0	0	0	0	0	0	0		
Net Surplus (Deficit) After Taxation	1,627	1,534	517	2,957	59	4	367	709	(140)	200	1,388		
Increase in Infrastructure Revaluation Reserve	0	7,141	0	11,279	0	14,716	0	17,136	0	19,828	0		
TOTAL Comprehensive Revenue and Expense	1,627	8,675	517	14,236	59	14,720	367	17,845	(140)	20,028	1,388		

Note: Biannually Council has a revaluation of assets carried out. The increases in value are book entries and are non-cash.

FORECAST STATEMENT OF CHANGES IN EQUITY

Equity as at 1 July	323,779	319,482	328,157	328,674	342,910	342,969	357,689	358,056	375,901	375,761	395,789		
Total Comprehensive Revenue & Expenditure	1,627	8,675	517	14,236	59	14,720	367	17,845	(140)	20,028	1,388		
TOTAL Equity at End of Year	325,406	328,157	328,674	342,910	342,969	357,689	358,056	375,901	375,761	395,789	397,177		

FORECAST SUMMARY OF STATEMENT OF FINANCIAL POSITION

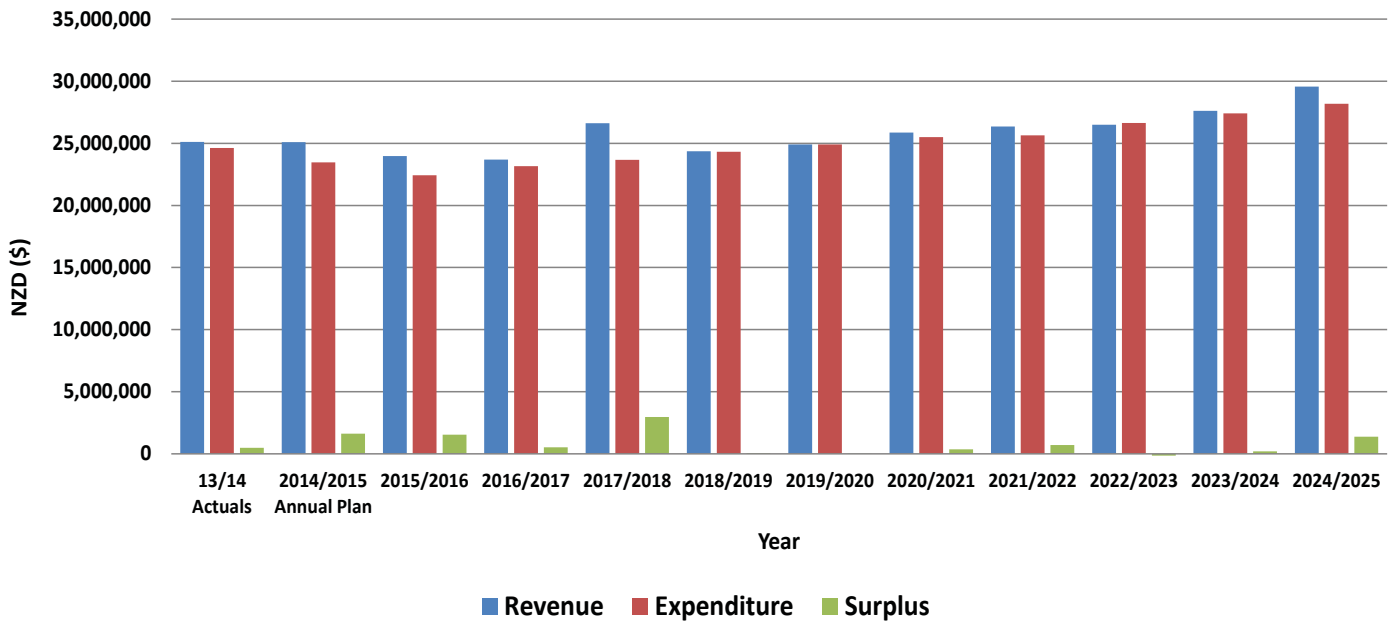
Total Current Assets	17,760	16,856	19,062	19,951	20,182	19,930	18,144	20,326	22,760	24,692	26,793		
Total Non Current Assets	342,332	344,444	343,370	356,868	358,237	373,818	372,305	389,198	388,630	406,754	407,912		
TOTAL Assets	360,092	361,300	362,432	376,819	378,419	393,748	390,449	409,525	411,390	431,446	434,705		
Total Current Liabilities	9,686	4,420	4,605	4,739	4,878	5,063	9,224	5,284	5,494	5,680	5,834		
Total Non Current Liabilities	25,000	28,723	29,153	29,170	30,572	30,996	23,169	28,340	30,135	29,977	31,694		
Total EQUITY	325,406	328,157	328,674	342,910	342,969	357,689	358,056	375,901	375,761	395,789	397,177		
TOTAL Liabilities and Equity	360,092	361,300	362,432	376,819	378,419	393,748	390,449	409,525	411,390	431,446	434,705		

Financial Report Card for the Long Term Plan

For the first two years of the 10 Year Plan our Council will be operating at a lower cost than present day. This is despite the forecasts being inflation adjusted which means in real terms Council is providing the same levels of service in most activities with less inputs. **It is important to note that Council's operating expenditure has reduced from \$24.6m (2013/2014 actuals) to a planned \$22.4m in 2015/2016 – a reduction of \$2.2m.**

Operating Revenue and Expenditure

Operating Revenue and Expenditure: 2013/2014 to 2024/25



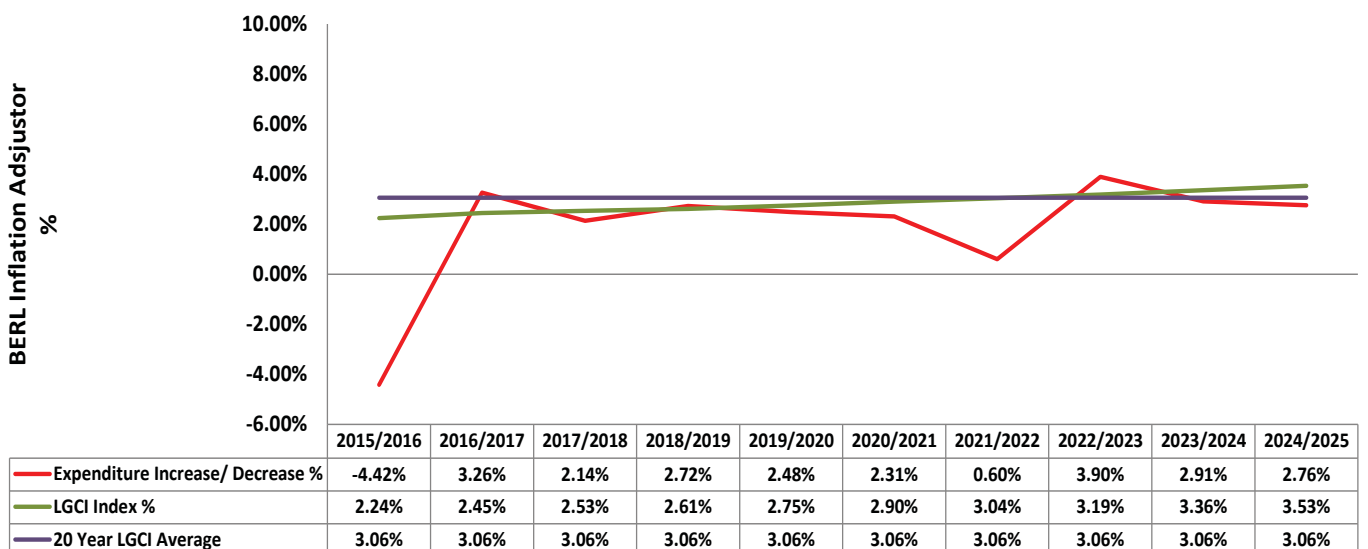
The large surplus in 2017/2018 is due to the sale of the port dredge (refer to page 13).

The deficit in 2022/2023 is due to lower financial assistance associated with capital projects.

Allowances for Inflation

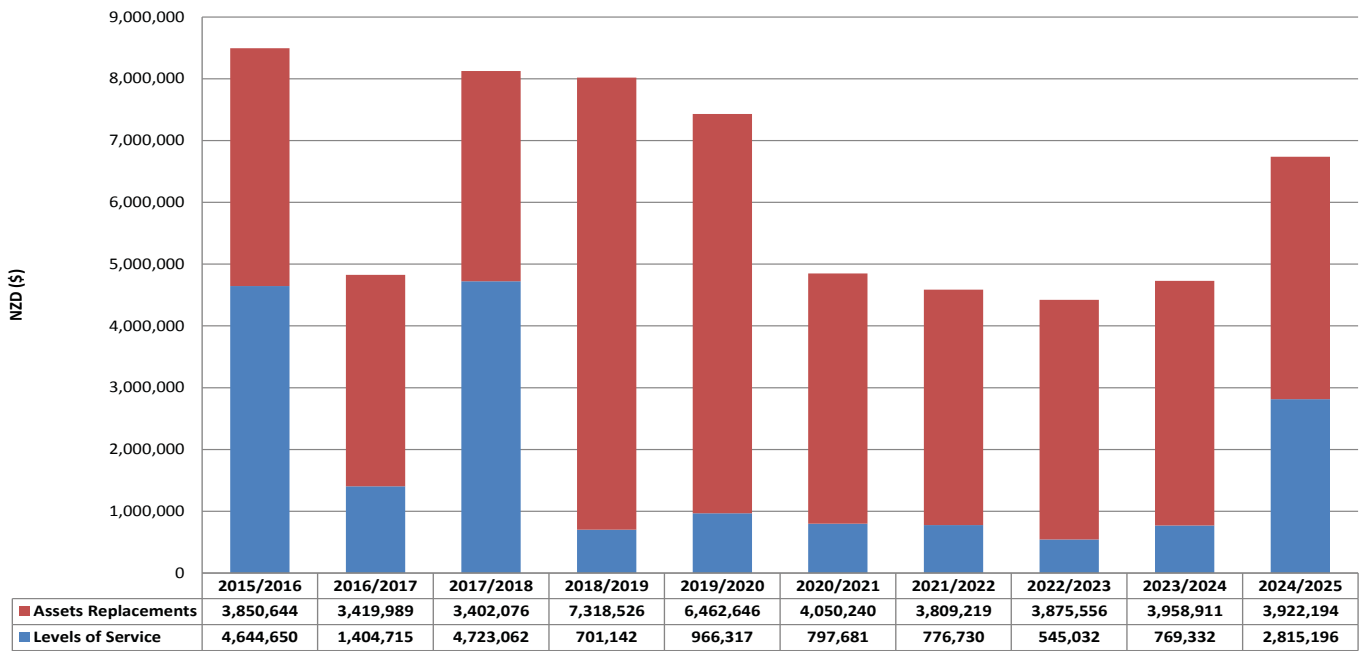
The following graph shows that operating expenditure is trending below that of the Local Government Cost Index.

LCGI Inflation Adjustors (per annum and long term average) compared to operating expenditure trend



Overall Capital Expenditure

Capital Expenditure: 2015 to 2025



The replacement costs of assets signalled through the Asset Management Plans sum to a total capital works programme of \$62m over the 10 years. Capital expenditure totalling \$18.1m (29%) is targeted at improving levels of services and \$44.1m (71%) is used to fund asset replacements.



Detailed Capital Expenditure - across the 10 years of the Plan

Activity	Details	Total Cost
Water	Phase 2 of the Westport Water Supply upgrade involving the bracing of the tunnels (2015/2016).	\$1.6m
	Upgrade of the trunk main in 2017/2018.	\$4.1m
	Mains upgrades over the 10 years of the Draft Long Term Plan .	Westport - \$1.24m Reefton - \$120,000
	Continuation of the Drinking Water Upgrades for Ngakawau-Hector, Waimangaroa and Inangahua Junction). These were scheduled to occur in 2014/2015 but have been deferred to 2015/2016 of the Draft Long Term Plan. These upgrades will attract subsidies totalling \$1.1m.	\$2.2m
	The upgrade of the drinking water supply for South Granity is scheduled for 2015/2016 (\$359,000) and Council is anticipating to receive a drinking water subsidy of \$255,000. The upgrade of the drinking water supply for Little Wanganui is scheduled for 2016/2017 (\$596,000) and Council is anticipating to receive a subsidy of \$473,000.	
Roading	Road renewals for 10 years of the Draft Long Term Plan (local roads \$12.7m; Karamea Highway - \$4m).	\$16.7m
	Bridge Replacement Programme: 2016/2017 Camp Bridge Inangahua Junction \$70,000. 2020/2021 Rough River Bridge contribution to Grey District Council \$377,000. 2021/2022 Brown Grey Bridge Palmers Road \$375,000. 2024/2025 Boundary, Tobins and Upper Grey \$2.09m.	\$2.9m
Footpaths	Footpath Upgrades and Lighting across 10 years of the draft Long Term Plan.	\$2.4m
Sewerage	Sewerage asset replacements and upgrades for Westport (\$4.9m), Reefton (\$2m) and Little Wanganui (\$178,000) across the 10 years of the draft Long Term Plan.	\$7.1m
Stormwater	Stormwater across 10 years of the draft Long Term Plan.	\$2.8m
Property	Earthquake strengthening and upgrading of Council property.	\$6.2m
Housing for the Elderly	Construction of Pensioner Housing in Reefton in 2018/2019 (\$0.6m), Westport (2 units) in 2018/2019 (\$0.6m).	\$1.2m
Vision 2010	Carry-forward of the Capital funding for Vision 2010 projects in Karamea (\$0.24m) and Westport Streetscape (\$0.23m).	\$0.5m
Airport	Runway re-sealing at the Westport Airport in 2022/2023.	\$0.5m



Financial Strategy

The Financial Strategy sets out where we are heading with our finances over the next 10 years, and the financial limits we are committed to working within.

The core elements of the Financial Strategy can be summarised as follows:

1. Produce a balanced budget.
2. Expenditure policy: No more than minimum to maintain services in short term but enough to at least maintain quality and avoid deterioration of assets and capacity. Proving for new services or upgrades only if these will provide spring board for growth.
3. Prudently managing debt and finance costs: We have set a net debt ceiling at \$20m which will track down over 10 years.
4. Allowing for Rates increases if this attracts new economic activity and retains loyalty of existing economic activity. Borrowing for new development if this provides a strategic advantage.
5. Affordability: Keeping average rate increases within long range Local Government Cost index.

Balanced Budget

One aim of the Financial Strategy is to 'produce a balanced budget'.

We have to do more than just limit spending. We still need to make sure that our infrastructure assets are meeting our Community's needs and that they also meet the various legal requirements Council must comply with.

This makes for a challenging environment. On one hand we need to make sure our assets, such as pipes, roads, and treatment plants, meet new environmental and health standards (such as the water quality standards). On the other hand, asset renewals and replacements are expensive and we need to make sure that any increases in Council's income (which primarily comes from rates and fees and charges) are affordable for our Community, all the while meeting our overall goal of "a balanced budget". The graph on page 29 demonstrates that Council is meeting this goal.

Spending on assets

Some of our assets are getting old, and need to have repairs or replacements in the near future. There is more spending on assets predicted in the first few years of this Draft Long Term Plan period. If we do not spend this money now then it is likely that we would end up spending more later on as we run the risk of infrastructure failing. The spending on assets is considered necessary to maintain our current levels of service. We only borrow to invest in long term assets. We never borrow for operating purposes.

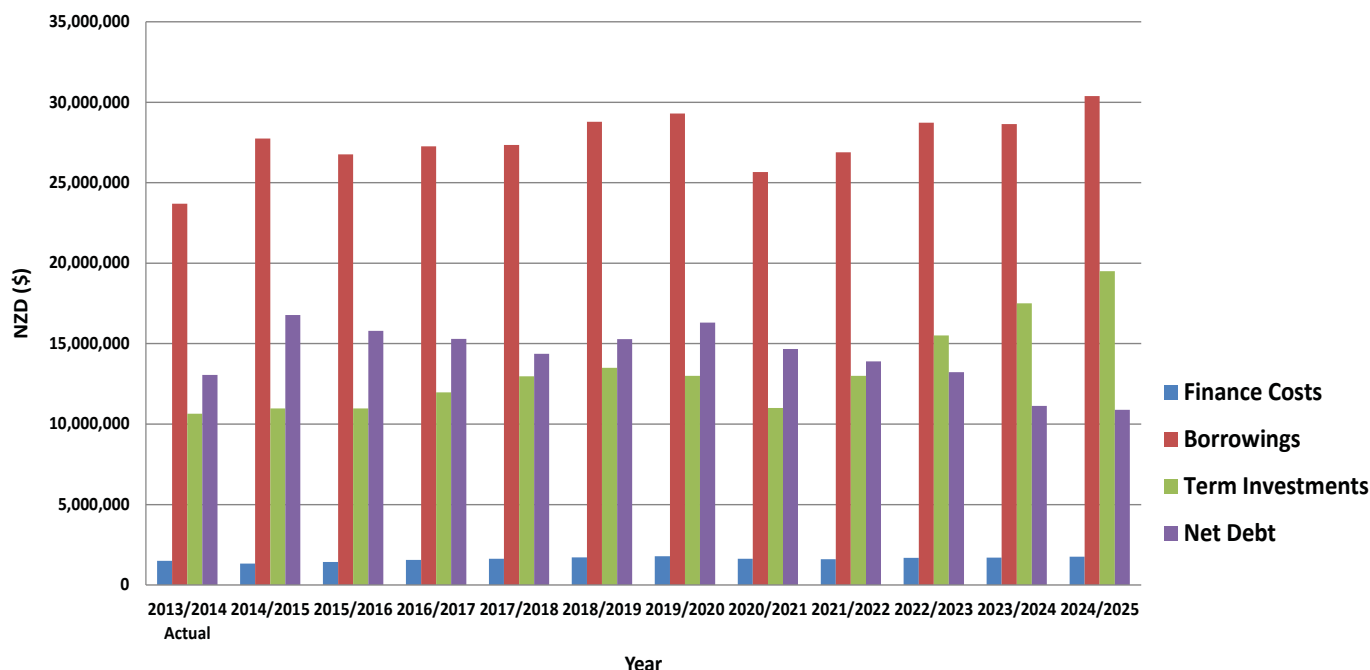


Council's Debt

Over the next few pages we explain what we propose to spend on your assets for the next 10 years. We will also outline what impact this would have on our debt levels and overall income requirements from rates, user fees and charges, and other sources of income.

Council has produced a plan which demonstrates sustainable external debt levels. Net debt (being gross external debt less term deposits) is anticipated to be \$16.7m at the end of 2014/2015 and is projected to decline to \$10.8m in 2024/2025. Council at the same time is committed to a major capital expenditure programme totalling \$62.2m, which it is to be funded from reserves and borrowings.

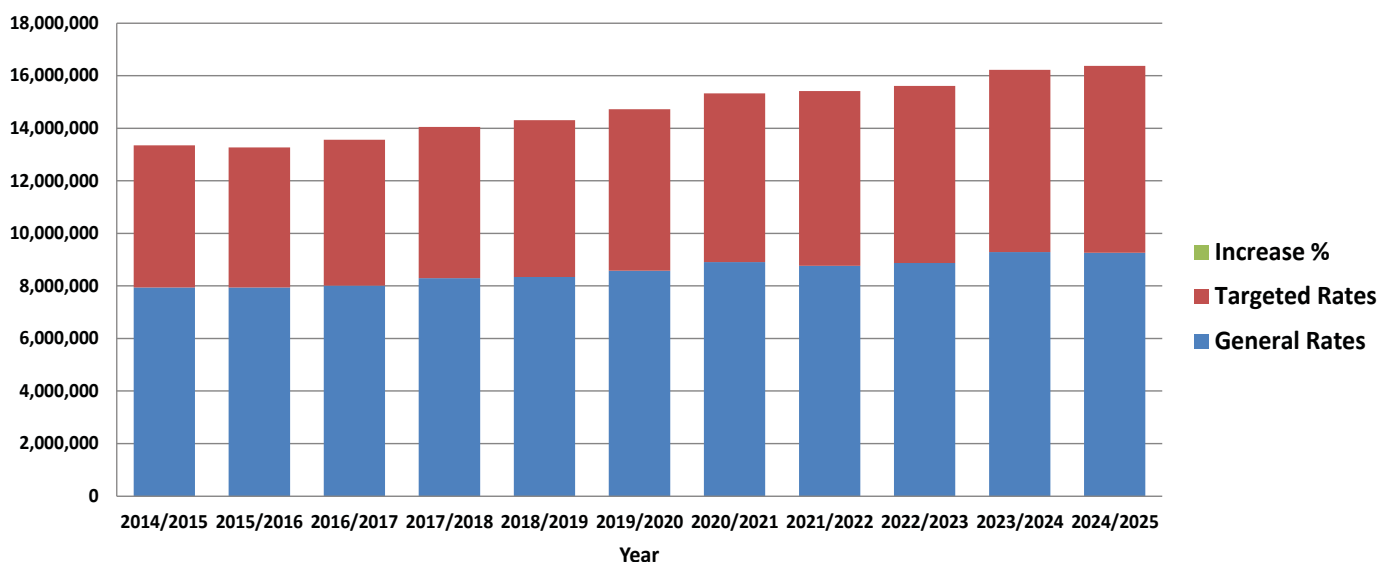
Gross Debt, Investment, Net Debt: 2013/2014 to 2024/2025



Forecasted Total Rate Increases across the 10 Year Plan

Gross rates have decreased from \$13.349m in 2014/2015 to \$13.244m in 2015/2016. There are reductions in both General and Targeted Rates. However the total rates take increases to \$16.3m by the end of the Draft Long Term Plan due to inflationary pressures. The increases in rates are lower than the predicted rate of increase in the BERL Local Government Cost Index (inflation or Council's is basket of goods).

Total Rates: 2015 to 2025



What are the quantified limits on rates, rate increases and borrowings?

Limit on Rates Collected

While the Council will continue its approach of allocating rates as a funding proportion based on who causes, costs or who benefits from its activities, it proposes endeavouring to limit the rates collected each year to a maximum of 65% of total Council revenue. We believe this represents an equitable and prudent upper limit.

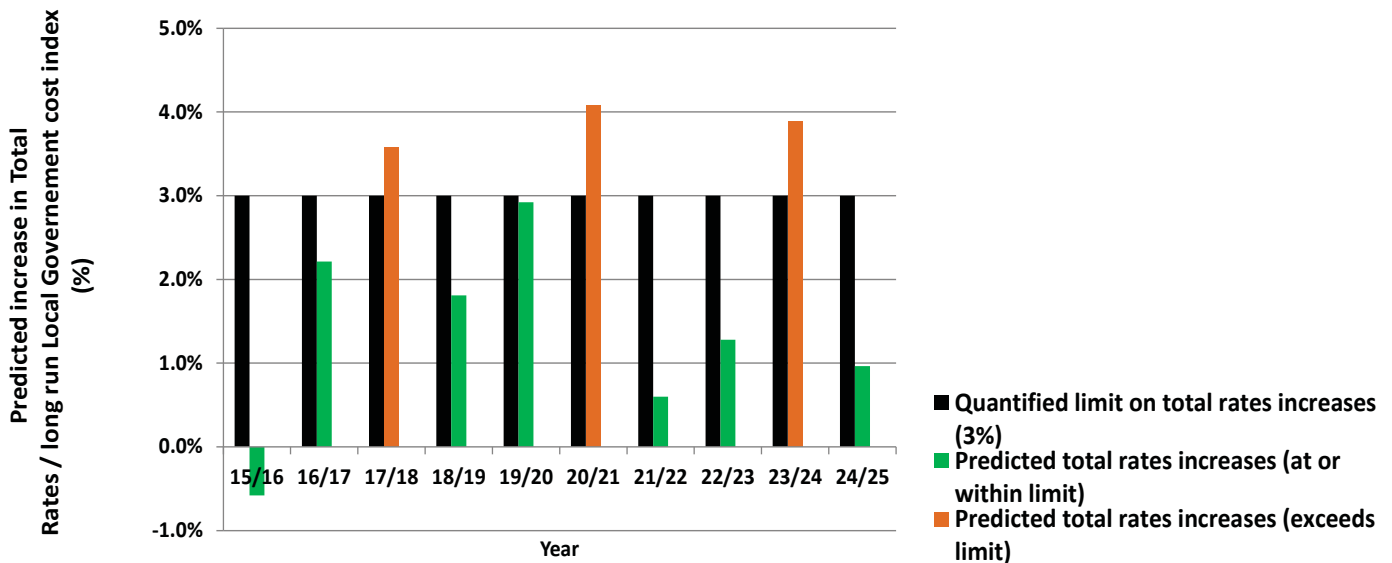
Limits on Rate Increases

While the Council will continue to consider affordability issues when setting rate levels each year, Council is required by legislation to include a statement on quantified limits on rates increases. Limiting the increase to the Rates forecasted in the Long Term Plan reflects the realities of higher local government costs i.e. the cost of doing Council business. It also recognises that from time to time Council will need to increase the level of service that it is providing to meet, for example, community needs and new resource consent requirements. Individual properties may experience smaller or larger increases depending on movements in property values, the services that they receive and their location. Council would like to set the quantified limits on rates annual increases at the past 20 year average of the Local Government Cost Index which is 3.06%.



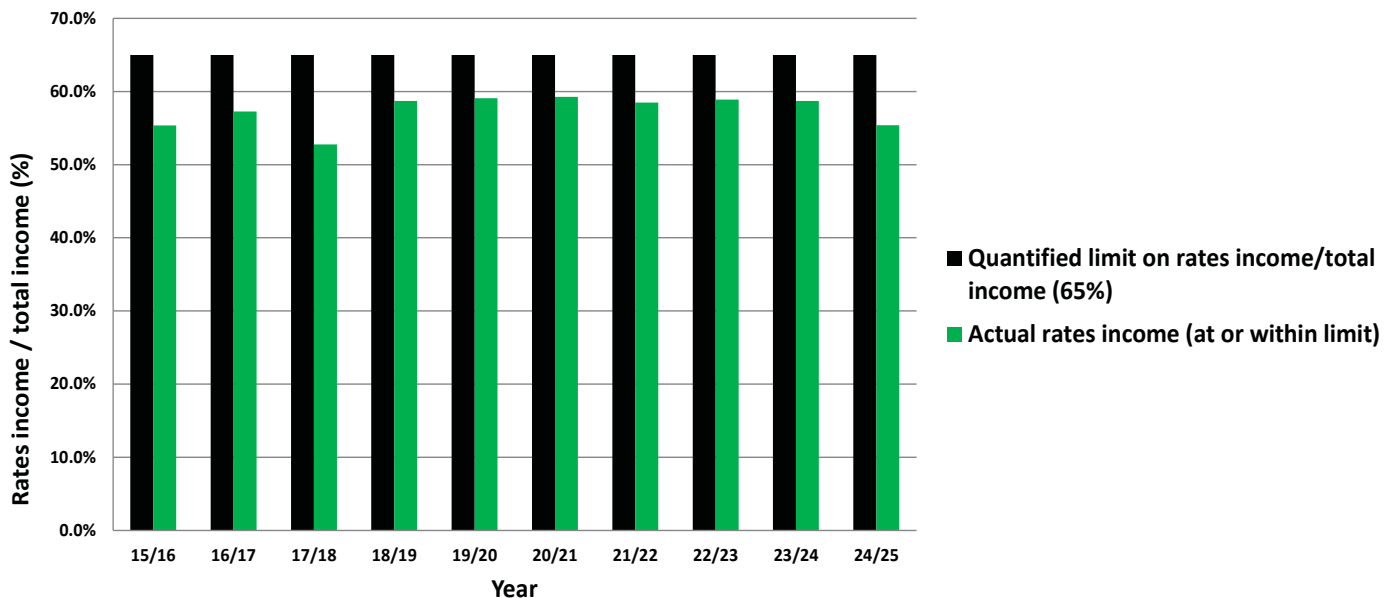
Financial Prudence Graphs

Rates Increases Affordability Benchmark



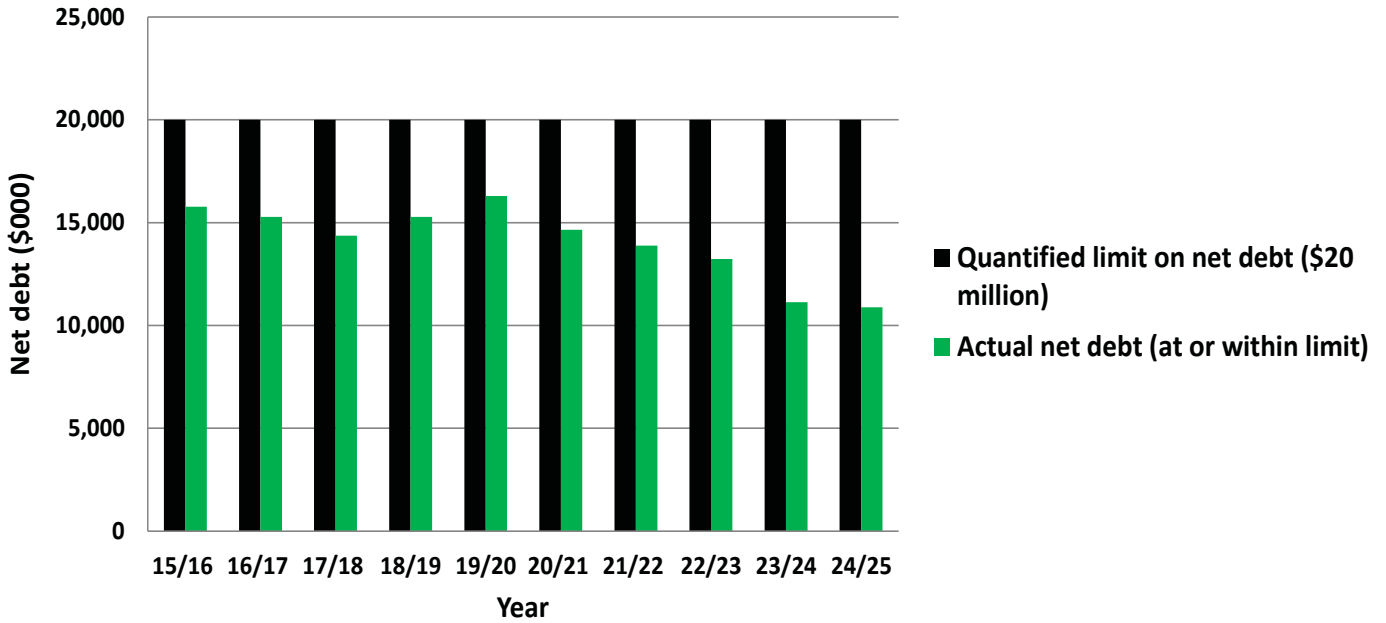
Rate increases are higher than the 20 year Long Term LGCI average in 2017/2018, 2020/2021 and 2023/2024 due to cyclical compliance costs and painting.

Rates Income Affordability Benchmark



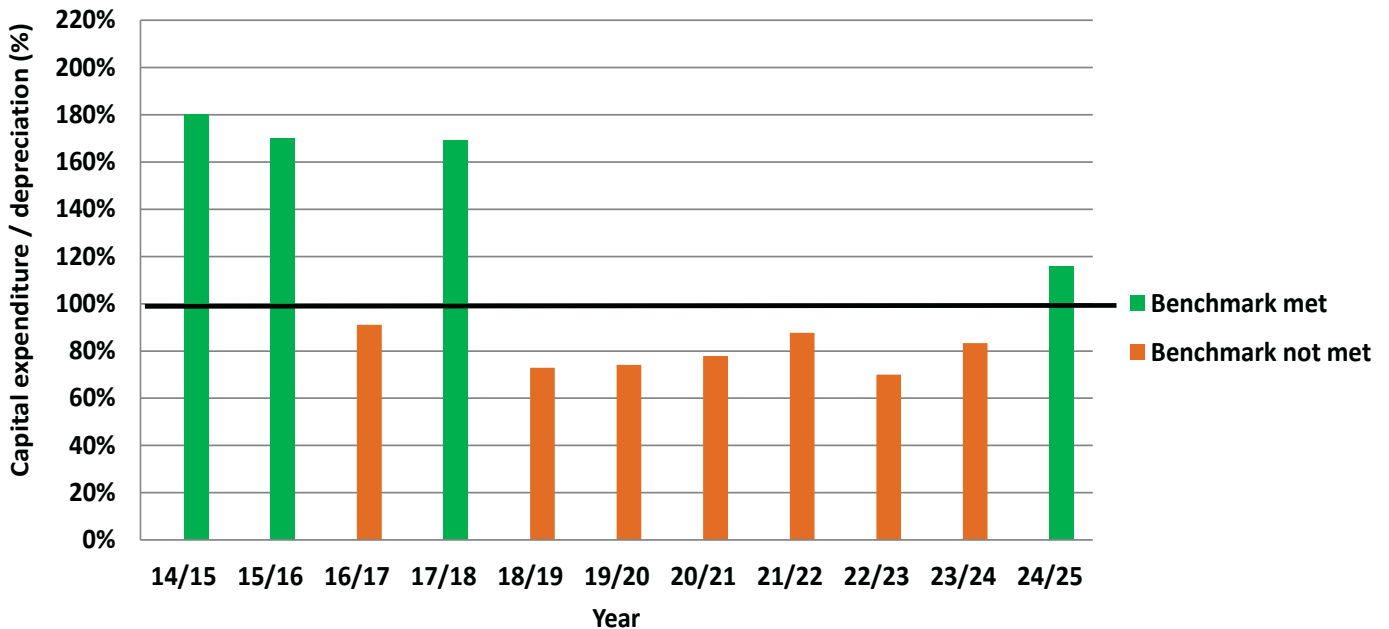
Council will not collect more than 65% of Total Revenue from Rates.

Debt Affordability Benchmark



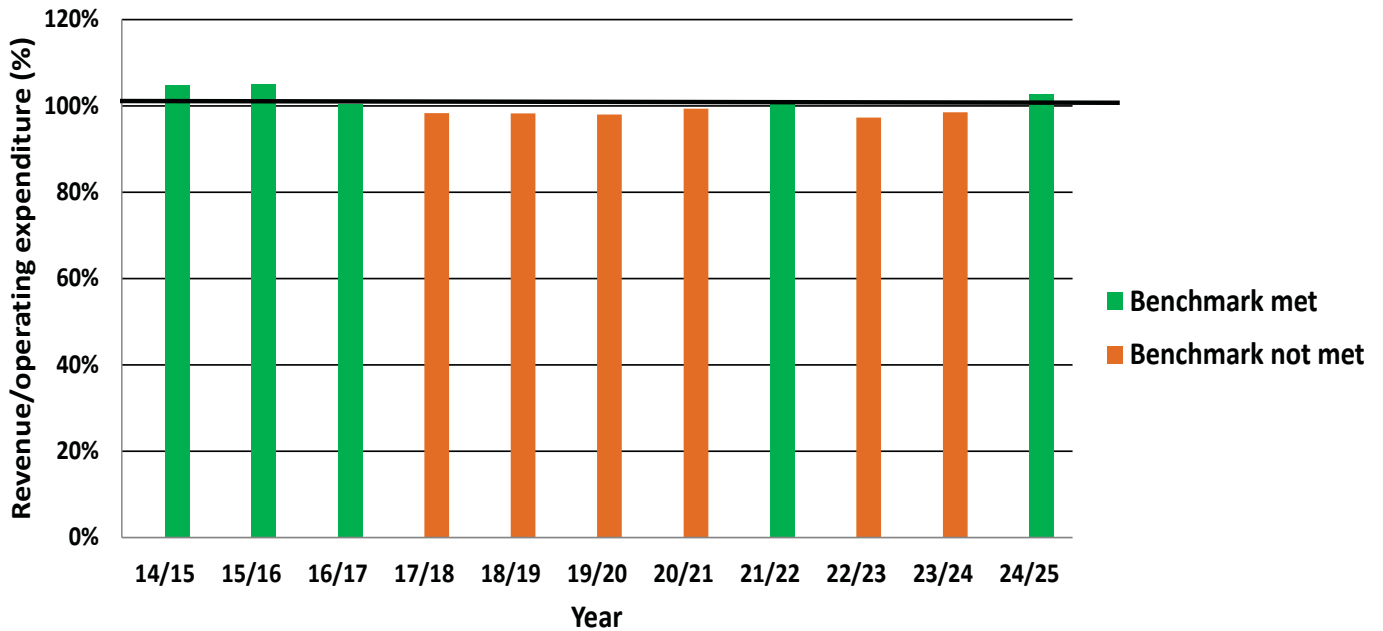
Council set its borrowing limit at a ceiling of \$20m (**net debt**) and we are operating well within the net debt limit of \$20m. Net debt tracks down to \$10.8m at the end of the 10 year Draft Long Term Plan.

Essential Services Benchmark



Council is maintaining and renewing its assets as they wear out. There are years where the benchmark is not met but there are also years where Council has provided for more. On average over the term of the Draft Long Term Plan Council is meeting the benchmark.

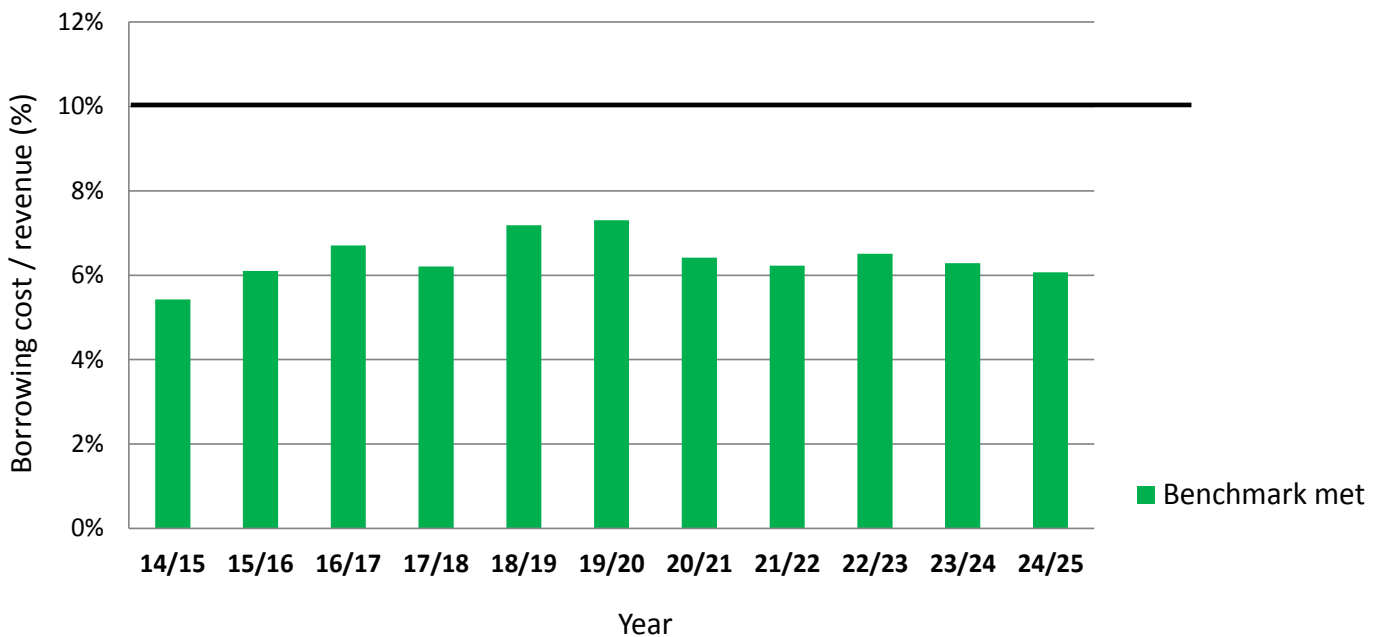
Balanced Budget Benchmark



Council is operating a balanced budget over the course of the Draft Long Term Plan. Differences where we do not meet the 100% benchmark are marginal.

Council meets the balanced budget benchmark for a year if its revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant or equipment) for the year exceeds its operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant or equipment).

Debt Servicing Benchmark *



Council is operating well below the benchmark. This means Council can service the interest costs associated with debt. Prudence use of debt keeps rates down and spreads the costs over generations that benefit.

* This benchmark is calculated on the gross finance costs. It should be noted that Council does earn interest on term deposits and this will offset gross finance costs.

Infrastructure Strategy

This is the Council's first formal public Infrastructure Strategy. It has included the assets that are required by the legislation. It covers roads, water supplies, sewage treatment and disposal, and stormwater. In time the data collection for other assets such as parks and reserves, cemeteries and buildings will be improved and included in future strategies.

What are the goals of the Infrastructure Strategy?

The role of infrastructure is to support, promote and achieve the Council's Community Outcomes.

The core of our strategy is :

1. To provide the best range of services that are affordable for the community.
2. That moving forward we will focus on efficient and effective delivery of services.
3. To seek out savings while maintaining the assets in a sustainable manner.



The Big Picture at a glance

The District is well placed with many key infrastructure upgrades complete or nearing completion:

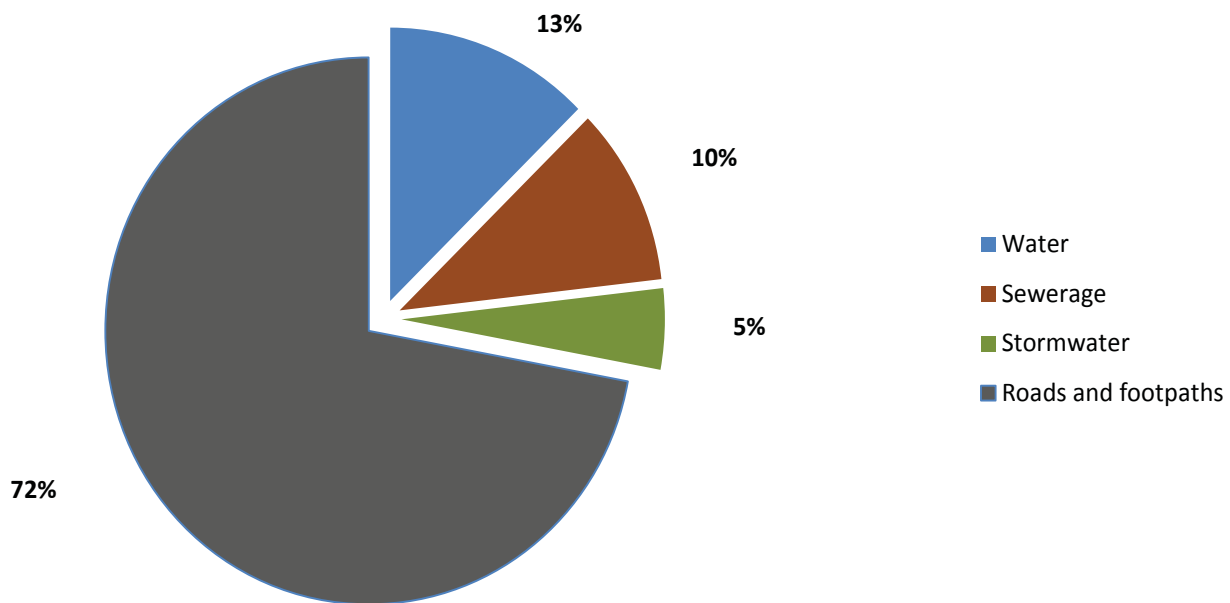
- The Westport Sewerage treatment plant was constructed in 2006. Reefton and Punakaiki water treatment plants were upgraded in 2012/2013 and phase 1 of the upgrade of the Westport water supply is largely completed.
- The oxidation ponds at Reefton and Little Wanganui will require maintenance around 2030. Little Wanganui may be able to be extended as the plant was designed for higher future capacity. Water supply upgrades are planned for Waimangaroa, Ngakawau-Hector, Inangahua Junction, South Granity and Little Wanganui. The renewal programmes for the water schemes have been developed in the asset management plans taking into account the age and condition of the reticulation pipes. It may be possible to extend out the life of these pipes once more information about their condition has been collected and analysed.
- Council's roads have been maintained in accordance with their function. This will continue with the recently developed national classification system. The road network has changed as land use has changed with a greater emphasis on dairying resulting in heavier truck usage.
- Bridges are evaluated structurally every three years and this provides information on maintenance programmes as well as determining the bridge replacement.

What does our infrastructure look like?

Buller District Council manages \$379m of infrastructure assets.

Asset	Description	Replacement Value \$
Water	Water extraction, treatment and distribution 11 schemes	47.9m
Sewerage	Wastewater collection, treatment and discharge	39.9m
Stormwater	Stormwater collection and discharge	18.1m
Roads and footpaths	Roads (arterial, collectors, local; curbs and gutters), bridges, footpaths	273m
TOTAL		\$378.9m

Replacement Value - Infrastructure Assets



Risks to Asset Performance:

The greatest risk to all of the asset performance is natural disasters. The Buller area has the Alpine Fault running through it as well as a number of lesser known but just as damaging fault lines. This exposes the district to the likelihood of earthquakes. The region is also close to the Southern Alps and is subject to large rainfalls in isolated areas or across the district, causing widespread damage mainly to roading and bridges.

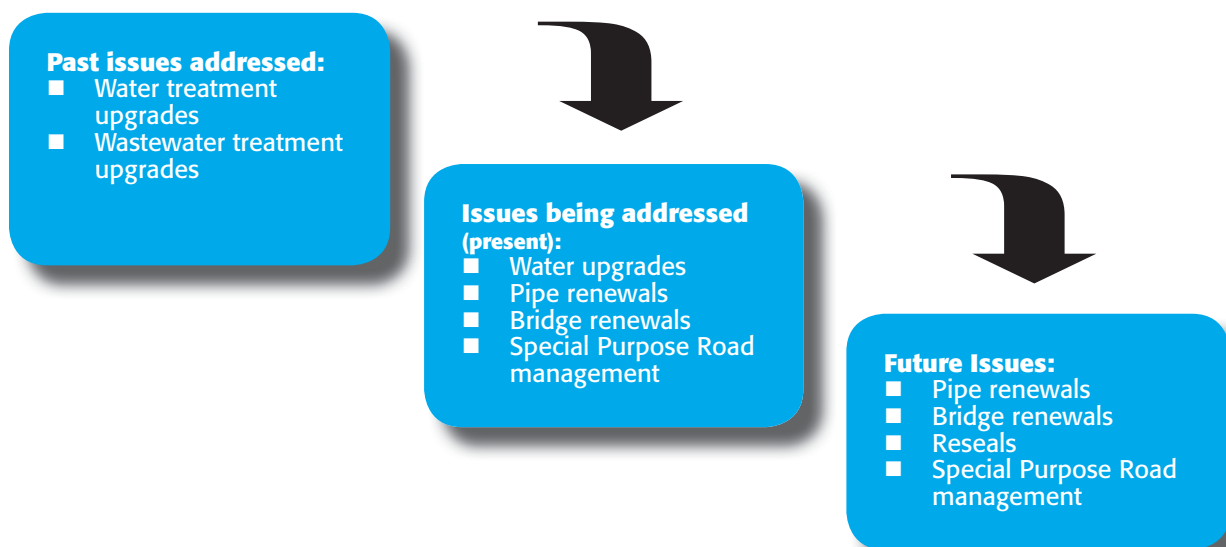
The district is also subject to economic swings which affects the ability to fund infrastructure. A significant portion of the district is non-rateable land (e.g. Department of Conservation Estate), which means services (e.g. roading) are provided but there is no revenue stream.

Affordability of all assets is becoming an increasing issue as they age and the maintenance costs rise. Asset management for local authority assets is a relatively new method of identifying the future cost, timing and the renewal of assets. Many assets are well into their useful lives and because of this no depreciation has been funded for replacement reserves. It will require a combination of loan funding and depreciation to maintain the levels of service that the community expects.

The Special Purpose Road (Karamea Highway) is a difficult and expensive road to maintain, with over 90% of land serviced by the road being non-rateable. In examining the unquantifiable risk associated with the long term maintenance of the Karamea Special Purpose Road, the financial risks associated with the new subsidy proposal are considered to be beyond the financial resources of Buller District Council's ratepayers to fund. At this stage we have assumed that funding for the Karamea Highway will continue at 100%. If this does not eventuate Council has assumed that the Karamea Highway will revert to being a State Highway.

To sum up, the task of building, operating and maintaining these infrastructure assets in an affordable manner is becoming increasingly difficult in view of demographic changes, environmental impacts, economic changes and aging Infrastructure assets.

In summary



Given the current economic context, Buller District Council has three broad options in terms of infrastructure management and provision:

1. Reduce the level of spend; this would result in a decrease in the level of service, or an increased level of risk of asset failure.
2. Continue with the 'current' approach.
3. Increase expenditure where investment in infrastructure may assist economic growth.

There is no one perfect option. Council has adopted a policy of optimising the optional factors. Council is already extending asset lives and delaying renewal work within acceptable risk limits. As a second step, our spend has been prioritised within similar budget bands to where the most benefit aligns with Council's goals. Thirdly, we have signalled our Council will consider the provision of infrastructure if an opportunity will result in real benefits to the district.

Significant Infrastructure Decisions

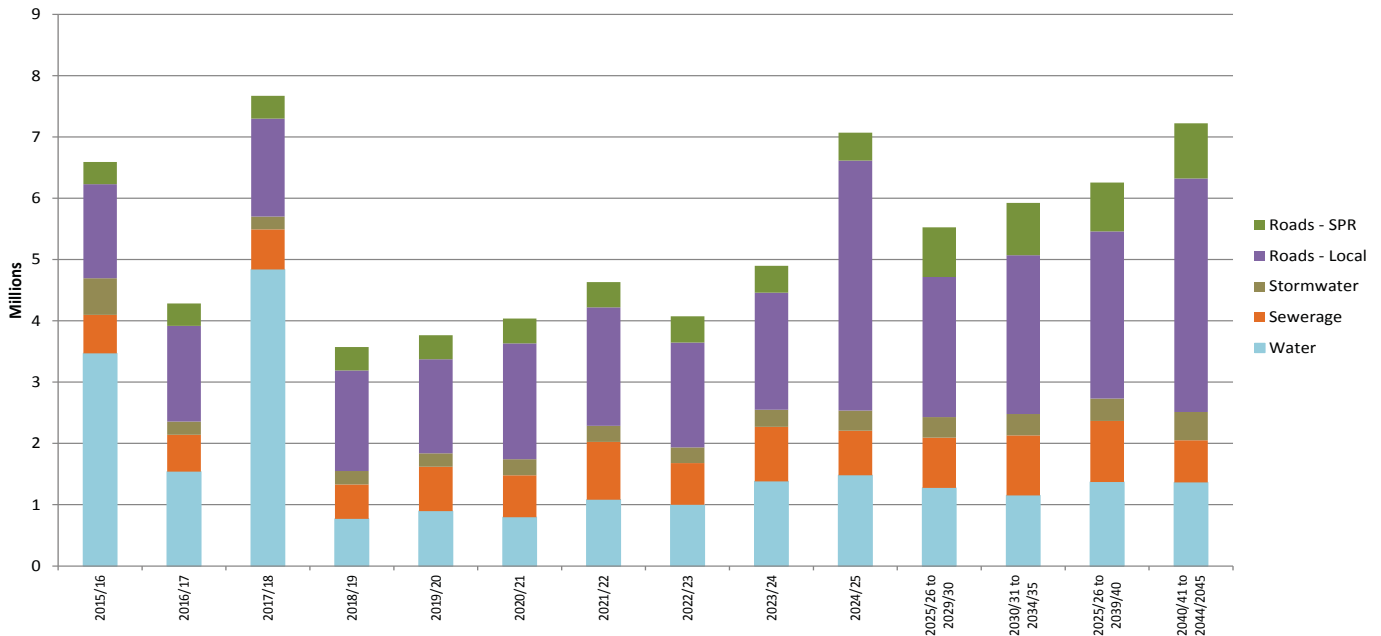
For a detailed description of the options and rating impact considered for each of these issues please refer to the Key Issues section on **page 7**.

Issue	What are we doing?	What is the benefit?	How much will it cost?	When are we doing it	Upgrades	Asset Replacement
Water Supplies						
Drinking Water needs to be improved to meet the Drinking Water Standards	Rural Drinking water Supplies at Waimangaroa, Ngakawau-Hector, Inangahua-Junction have been deferred to 2015/2016. Upgrades have been scheduled for South Grinity and Little Wanganui	Improve public health and provide clean safe water	\$2.2m	2015/2016 2016/2017	✓	✓
The Westport water supply tunnels have a partial blockage caused by timber supports collapsing. An application has been lodged with the Ministry of Health for subsidy towards the cost to line or pipe the tunnel. The existing trunk main providing water to Westport is aged and during 2015/16 Council will investigate the condition to determine the scope of the trunk main replacement	Upgrade Water Supply Tunnels	Ensure continuity of service in a reliable manner	\$1.55m	2015/2016	✓	✓
	Replace Trunk Mains		\$4.1m	2017/2018	✓	✓
Aging Infrastructure The mains renewals programme will be refined based on performance and condition Analysis of Westport and Reefton Cast Iron pipe (to be completed) may extend pipe lives and reduce this 30 year programme of work	Mains Renewals	Ensure continuity of service in a reliable manner	Average of \$385,000 p.a.	2015-2045	✓	✓
Sewerage						
Ageing Infrastructure	Mains Renewals	Ensure continuity of service in a reliable manner	\$430,000 p.a.	2015 - 2045		✓
Stormwater						
New Stormwater Pump Station in Brougham Street	Building new stormwater pump station	Protection of property from flooding	\$0.4m	2017	✓	
Ageing Infrastructure	Mains Renewals	Ensure continuity of service in a reliable manner	\$200,000 per annum	2015 - 2045		✓
Roading						
Ageing Infrastructure, Load Capacity	Bridge Replacements/ upgrades to allow for trucks that operate at 50 tonnes.	Ensure continuity of service in a reliable manner. Increase capacity to allow for 50 Tonne Trucks.	\$3.2m over 10 years	2015-2025	✓	✓
Ageing Infrastructure	Resurfacing	Blend life of road and improve usage of road.	\$0.6m/annum	2015 - 45		✓

Infrastructure Expense Graphs

The projected capital expenditure associated with the significant infrastructure assets are graphically represented below:

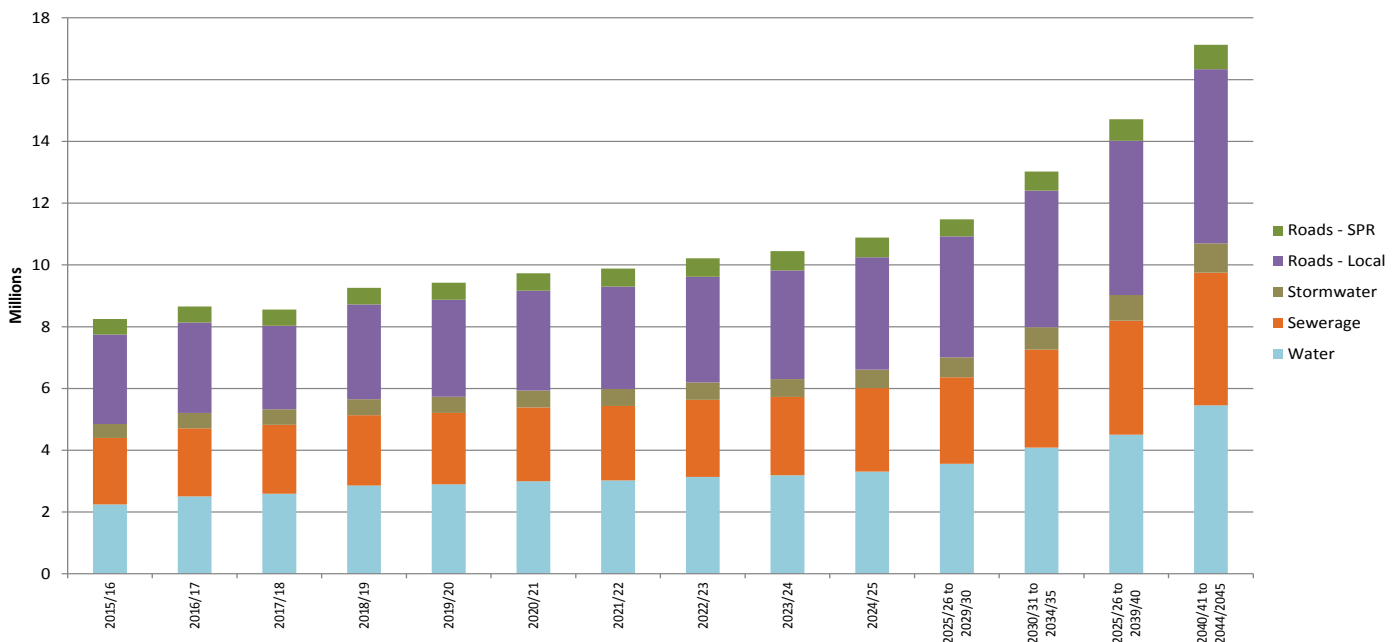
Combined Infrastructure Forecast - Capital



The above graph clearly demonstrates that the priority for the next two years is the piping of the tunnels for Westport Water and the rural drinking water upgrades. The graph also clearly demonstrates the significant expenditure on roading. The increase in 2024/2045 represents bridge replacements. The forecasts for the years 2026-2045 are based on 5 year averages.

Projected Operational Expenditure – Infrastructure Assets

Combined Infrastructure Forecast - Operations and Maintenance



This clearly demonstrates the effect of inflation on repairs and maintenance over the life of the plan. The forecasts for the years 2026-2045 are based on 5 year averages.

Independent auditor's report on Buller District Council's Consultation Document for its proposed 2015-25 Long-Term Plan

I am the Auditor-General's appointed auditor for Buller District Council (the Council). Section 93C of the Local Government Act 2002 (the Act) requires an audit report on the Council's consultation document. I have carried out this audit using the staff and resources of Audit New Zealand. We completed this audit on 22 April 2015.

Opinion

In my opinion:

- the consultation document provides an effective basis for public participation in the Council's decisions about the proposed content of its 2015-25 long-term plan, because it:
 - fairly represents the matters proposed for inclusion in the long-term plan; and
 - identifies and explains the main issues and choices facing the Council and district, and the consequences of those choices; and
- the information and assumptions underlying the information in the consultation document are reasonable.

Basis of Opinion

We carried out our work in accordance with the Auditor-General's Auditing Standards, relevant international standards and the ethical requirements in those standards.¹

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

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

Responsibilities of the Council and auditor

The Council is responsible for:

- meeting all legal requirements relating to its procedures, decisions, consultation, disclosures, and other actions associated with preparing and publishing the consultation document and long-term plan whether in printed or electronic form;

- having systems and processes in place to provide the supporting information and analysis the Council needs to be able to prepare a consultation document and long term plan that meet the purposes set out in the Act;
- ensuring that any forecast financial information being presented has been prepared in accordance with generally accepted accounting practice in New Zealand; and
- matters relating to the electronic presentation of the report to the readers of the long-term plan consultation document.

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

Independence

We have followed the independence requirements of the Auditor-General, which incorporate those of the External Reporting Board. Other than our work in carrying out all legally required external audits, we have no relationship with or interests in the Council or any of its subsidiaries.



John Mackey
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand

¹ The International Standard on Assurance Engagements (New Zealand) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and The International Standard on Assurance Engagements 3400: The Examination of Prospective Financial Information.

How you can have your say?

We would like to hear what you think of the Key Issues and risks highlighted in our Draft Consultation Document?

Please tell us what you agree with and what you do not agree with?

This Consultation Document is released for public consideration on Tuesday 28 April 2015 and is open for written submissions until Friday 29 May 2015.

During this time there are a number of ways you can find out more information about any aspect of this document or the wider Long Term Plan process:

- ▶ Roadshows will be held throughout the District. This will give everyone the opportunity to attend one their local area and to come along and discuss the Draft Long Term Plan and Consultation Document with Council. Dates and locations are shown below.
- ▶ The Consultation Document can be found on Council's website www.bullerdc.govt.nz along with the full Draft Long Term Plan, Submission Form other supporting documentation:
Consultation Documents and Submission Forms are available from our Council offices and libraries in Westport and Reefton, or by emailing LTP@bdc.govt.nz.
Copies of the Consultation Document and Submission Forms will also be available from i-Site and Resource Centres in Karamea, Ngakawau and Punakaiki.
- ▶ Councillors and staff are available during the consultation period to discuss the Draft Long Term Plan and Consultation Document, or to clarify any issues.
 - To make an appointment phone (03) 788-9111 or email LTP@bdc.govt.nz.
 - Councillor's contact details are available on our website www.bullerdc.govt.nz.
- ▶ You have the opportunity to present your submission directly to the Councillors on **Thursday 11 June 2015**. **Please indicate on your submission form if this is what you would like to do.** If you do not indicate whether you wish to speak we will assume you only intend to put in the written submission.

So....what happens next?

- ▶ The consultation period will close at 4:30pm on Friday 29 May 2015. Written submissions must be sent to the Council by that date.
- ▶ After that time, Council will meet on 11 June 2015 to hear and consider submissions. If you have chosen to speak in support of your submission, you will be contacted with a time to come along and speak to Council.
- ▶ After hearing and considering all submissions, Council will make any necessary changes to the Draft Long Term Plan and adopt the final Long Term Plan 2015-2025 on 30 June 2015. It will come into effect from 1 July 2015.

Further details are contained in the full Draft Long term Plan which is available on Council's website, www.bullerdc.govt.nz.

Do you need to know more?

This Consultation Document has been put together to give our community an overview of the challenges and issues Council foresees over the next 10 years. This information has been taken from the Draft Long Term Plan. It is important to realise that the summarised Consultation Document cannot be expected to provide all the information and people are encouraged to read the full Draft Long Term Plan for further information.

Roadshows

Monday 11 May 2015

6:30pm @ **Punakaiki**
(Pancake Rocks Cafe)

Tuesday 12 May 2015

6:30pm @ **Reefton**
(Reefton St John Hall)

Wednesday 13 May 2015

7:00pm @ **Westport**
(Westport Bridge Club)

Tuesday 19 May 2015

6:30pm @ **Karamea**
(Karamea Bowling Club)

Wednesday 20 May 2015

6:30pm @ **Ngakawau**
(Ngakawau Hall)

www.bullerdc.govt.nz

These are the key issues

**WATER
is our
TOP
PRIORITY!**

- 1.** We propose to defer total replacement of Westport's main pipeline to the town from the water treatment plant while we further investigate the condition of the existing pipe to see if partial replacement is possible. This increases the risk of failures in the meantime but might save money in the long term. Do you agree with this approach? (see **page 7** in Consultation Document)

- 2.** If you are in one of the water schemes that council is responsible for, are you happy with the proposals for upgrades to meet Drinking Water Standards? Each scheme has different circumstances and we are proposing to consult separately with each community (refer page xx in the Consultation Document for Drinking Water supplies)

- 3.** Do you agree with the Councils proposed support for economic development and advocacy in order to help diversify the local economy?

Do you agree that this can be best achieved by a local effort combined with a 'whole of Coast' effort combining the resources of all four West Coast Council's and Development West Coast? Do you agree with the change to the funding policy for Promotion and Tourism? (see **page 8**)

- 4.** Council has to address the key earthquake risks affecting Council property. Do you agree with the proposed time line to address the problems and the proposed rationalisation of the Westport Council property and the modernisation of Westport town centre? We have proposed that priority has to be given to fixing the water supplies before we address these building matters. Are you happy with that approach? (the full details are contained on **pages 9-10**)

- 5.** Council has provided for \$130,000 to provide earthquake strengthening and fire protection for the Reefton Community Centre hall/gymnasium and foyer. A further sum of \$358,000 (inflation adjusted) has been provided for the 2016/2017 year for some yet to be determined scheme to address the performance theatre issues. The Council will work closely with the Community Board to determine some resolution. As an immediate interim measure, Council will be reducing the number of seats in the Reefton Theatre to ensure the theatre meets the New Building Standard (NBS). Council has requested the Inangahua Community Board to make a firm recommendation to Council by 1 September 2015. If you live in Reefton are you happy with this approach? (see **page 10**)

- 6.** Council's long standing policy has been that housing for the elderly has to be self funding. This is becoming very difficult to achieve without some new Government assistance. We have proposed to defer building any new or replacement units until we get a better idea on what the future holds. We propose to review the whole service as soon as we have the facts. In the meantime rents will be increased. Is this approach satisfactory? (see **page 12**)

- 7.** Changes to key policies
 - Significance and Engagement Policy
 - Treasury Management Policy Changes to allow for participation in the Local Government Funding Agency.Do you agree with these policies or do you think that there should be changes? (see **pages 15-16**)

- 8.** Proposed rates. We have proposed a small increase in overall rates because we have held the costs of operating the Council. Next year the average rates bill will decline by 0.6% (see **pages 17-19** of the Consultation Document). That is only an average, some will be more, and some will be less. We think that we can deliver all the services promised in the plan but there will not be room for anything additional. If you think that we have got the balance right please tell us. If you disagree we would like to hear your suggestions

Submission Form

Please read the Consultation Document and/or the Draft Long Term Plan **before** providing your feedback.

Please return your completed form to Council by **4:30pm Friday 29 May 2015**:

Email: submissions@bdc.govt.nz
Fax: [03] 788-8041
Post: Buller District Council, PO Box 21, Westport 7866
Deliver to: Buller District Council, Brougham Street, Westport 7925



Submitters details

Name: Mr/Mrs/Miss/Ms: _____

Organisation (if relevant): _____

Do you wish to be heard in support of your submission? Yes No

Address: _____

Phone: _____

Email: _____

Key Issue: _____

Comments: _____

Thank you for your feedback
Submissions must be received by
4:30pm Friday 29 May 2015

