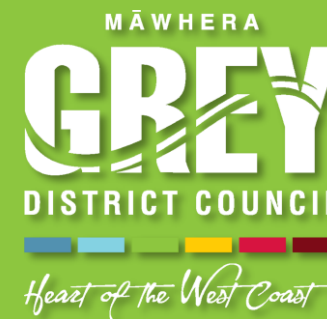


# Grey District Council

## Long Term Plan

### 2025-2034



## Plan to deliver and deliver to Plan

[www.haveyoursay.greydc.govt.nz/ltp](http://www.haveyoursay.greydc.govt.nz/ltp)



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# **PART A: Introduction and Summary**

# Message from the Mayor and CEO

We are pleased to present to you our Long Term Plan for 2025-2034.

The Grey District and New Zealand have been through trying times in recent years with pandemic, lockdowns, a cost of living crisis and then an economic recession. We are incredibly fortunate to have the very best nature has to offer right on our doorstep and communities that care, rally together and support each other. Despite myriad challenges, Grey continues to rise above and we have a strong tradition of being practical, honest and generous.

Every three years Councils are required to produce a Long Term Plan, planning our activities, services and projects – and how they will be funded – for the next ten years. Last year we elected to do an Enhanced Annual Plan based on year 4 of the 2021-2031 Long Term Plan rather than do a full Long Term Plan. We opted to do that due to the uncertainty that surrounded the three waters activities. The implications of doing that means that this Long Term Plan is for nine years rather than the usual ten.

For this Grey District Council Long Term Plan 2025-2034, Council had to take a hard look at what it wanted to focus on and once that was confirmed, how it was going to carry out those priorities. This plan, therefore, is Council's commitment to you, our community. It pulls together a plan of what we will deliver and how we will deliver it. This plan is about facing the delivery barriers we've had in the past and putting in place the resources we need to achieve our goals. This will include making sure we have the right resources available (staff, contractors, materials), the correct funding and proper prioritisation of those services, projects and activities that our community need, want and make their daily lives better.

Our biggest focus going forward is going to be getting back to looking after the core infrastructure and services that our community needs to be a thriving, resilient and connected Grey District. That focus is addressing deferred renewals on our critical assets such as our three waters and roading, carrying out costly upgrades due to new legislation compliance requirements and building our reserves, especially our Disaster Recovery Reserve. The last point is very important, given our proximity to the Alpine Fault and increased incidences of extreme weather events.

The introduction of "Local Water Done Well", the new government policy aimed at improving the management and quality of drinking water, wastewater, and stormwater services, means three waters delivery is an issue still at the forefront of Local Government. There still a high level of uncertainty around how this will play out within the Grey District. Our LTP reflects a model where these services remain within Council as a service, which with the information to

hand at the time the plan was prepared, was believed to be the best option for the district. Since the preparation of the draft Long Term Plan Council gained further information into the changing space of three waters reform. After consideration Council has moved forward to consult with the public with a preferred option of a multi-council CCO. This option is currently out for consultation in conjunction with Buller and Westland District Council's. This option has not however been incorporated into this Long Term Plan due to the timing of the decision making process.

We have implemented the Key issues as proposed in the draft plan, and included additional support for the West Coast Theatre Trust:

1. Our funding from Waka Kotahi New Zealand Transport Agency was less than in previous years. This impacts our subsidised footpath and cycleways maintenance and renewals programme - to maintain the existing programme and level of service, Council is inputting an additional \$250,000 of rate funding to the activity.
2. The Harbour Board and History House Museum buildings are earthquake prone and no longer required for Council business so Council has decided to sell them.
3. The West Coast Theatre Trust was struggling under the weight of an earthquake strengthening loan, Council had Previously underwritten the loan, after hearing submissions to the plan Council opted to provide a life line to the Trust and take the burden of their loan from them as well as increase their operational grant from \$38,000 to 50,000 in year one of the plan.

To do everything that Council has included in its Plan means a rates increase of 13.71% for the 2025/2026 year. We acknowledge this is higher than previous rates increases and we know that households are hurting with cost increases, just like Council is. To have a lower rates increase means Council would have to look at cuts such as spreading out the deferred renewals programme over a longer period, something Council is reluctant to do. Already the community has experienced the disruption from failing infrastructure, especially water; we want to look after our infrastructure so these frequent failures and interruptions become a thing of the past.

Other projects and changes included in our final Plan are:

- Fees and charges have mostly been increased by 2-3%. There have been no changes to the fees and charges for the Westland Recreation Centre.
- Retirement housing weekly rentals have been reviewed and we aligning Greymouth and Blaketown rentals, as well as impose an increase of approximately 7% across the weekly rental amounts. There is significant maintenance and renewals work required for this activity and Council needs to collect a fair share of the costs of managing the retirement housing portfolio. Rentals are proposed to be \$165 for Greymouth and Blaketown and \$145 for Runanga and Dobson (for one bedroom units). We are planning on doing a full

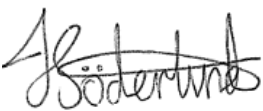
review of the retirement housing activity in the next 18 months which will include looking at the current policy and tenant eligibility criteria, demand, housing stock and operating model.

- The fountain outside Council offices is ageing and end of life. As this is not a critical asset, we believe our funds are better spent elsewhere and therefore we have only included funds for basic maintenance and running costs in the plan. We have not included funds for Major Repairs or upgrades when it fails.
- The current dog pound is no longer suitable and nearing end of life – we have included to build a replacement in year 6 of this Draft Plan.
- We will be building three more water reservoirs, which will then finish the project started several years ago which was to replace the ageing Omoto water reservoir with five smaller reservoirs around the district, providing increased storage and spread of resilience.
- Compliance driven but never the less important upgrades to our water and wastewater treatment plants.

Council has had to make hard choices to complete this plan and had to balance the must-haves with the nice-to-haves with willingness and ability of the community to pay. We'd like to thank all those who took the time to contribute and voice their thoughts on the plan making this a plan developed by Council and the community together.



Tania Gibson  
**MAYOR**



Joanne Soderlund  
**CHIEF EXECUTIVE**



# Key Council contact information

## Council contacts



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Greymouth 7805



PO Box 382  
GREYMOUTH 7840



Tel 03 769 8600



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Web: [www.greydc.govt.nz](http://www.greydc.govt.nz)



Facebook: [facebook.com/greydc](https://facebook.com/greydc)

Twitter: @GreyDistrict

Instagram: @greymouth\_nz

## Banker



Westpac

## Auditor



Ernst and Young Chartered Accountants, Christchurch  
on behalf of the Auditor General, Wellington

## Solicitor



Corcoran French, Greymouth (formerly operating under Hannan & Seddon)



# Your Council



**Tania Gibson**  
**Mayor**



**Allan Gibson**  
**Councillor**  
**Eastern Ward/**  
**Deputy Mayor**



**John Canning**  
**Councillor**  
**Southern Ward**



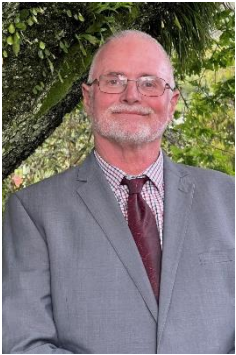
**Peter Davey**  
**Councillor**  
**Central Ward**



**Kate Kennedy**  
**Councillor**  
**Northern Ward**



**Rex**  
**MacDonald**  
**Councillor**  
**Southern Ward**



**Robert**  
**Mallinson**  
**Councillor Eastern**  
**Ward**



**Tim Mora**  
**Councillor**  
**Central Ward**



**Jack O'Connor**  
**Councillor**  
**Central Ward**



**Francois**  
**Tumahai**  
**Kaiwhakahaere (iwi**  
**representative)**

## Councillor portfolios as at 14 November 2024

| Name                    | Position                             | Committees                                                                                                                                                                                                                                                                           |
|-------------------------|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Tania Gibson</b>     | Mayor                                | Chief Executive Employment<br>Risk and Assurance Subcommittee<br>Civic Awards<br>Creative Communities<br>Sport New Zealand Rural Travel Fund<br>Tenders Subcommittee<br>Members Code of Conduct<br>Greymouth Joint Floodwall Committee<br>Te Tai o Poutini One Plan Committee (TTPP) |
| <b>Alan Gibson</b>      | Deputy Mayor/Councillor Eastern Ward | Tenders Subcommittee<br>Members Code of Conduct Committee<br>Greymouth Joint Floodwall Committee<br>Te Tai o Poutini One Plan Committee (TTPP)                                                                                                                                       |
| <b>John Canning</b>     | Councillor Southern Ward             | Animal Control<br>District Licensing                                                                                                                                                                                                                                                 |
| <b>Peter Davey</b>      | Councillor Central Ward              | Tenders Subcommittee                                                                                                                                                                                                                                                                 |
| <b>Kate Kennedy</b>     | Councillor Northern Ward             | Animal Control<br>Sport New Zealand Rural Travel<br>Creative Communities Committee                                                                                                                                                                                                   |
| <b>Rex MacDonald</b>    | Councillor Southern Ward             | Risk and Assurance Subcommittee<br>Chief Executive Employment<br>Tenders Subcommittee                                                                                                                                                                                                |
| <b>Robert Mallinson</b> | Councillor Eastern Ward              | Risk and Assurance<br>Tenders Subcommittee                                                                                                                                                                                                                                           |
| <b>Tim Mora</b>         | Councillor Central Ward              | Risk and Assurance Subcommittee<br>Civic Awards Committee<br>Creative Communities Committee<br>Sport New Zealand Rural Travel<br>Greymouth Joint Floodwall Committee                                                                                                                 |
| <b>Jack O'Connor</b>    | Councillor Central Ward              | Risk and Assurance Subcommittee<br>Animal Control Committee<br>Sport New Zealand Rural Travel                                                                                                                                                                                        |
| <b>Francois Tumahai</b> | Kaiwhakahaere (iwi representative)   |                                                                                                                                                                                                                                                                                      |

# Audit Opinion



**Shape the future  
with confidence**

*To the reader:*

### **Independent auditor's report on Grey District Council's 2025-34 long-term plan**

I am the Auditor-General's appointed auditor for Grey District Council (the Council). The Local Government Act 2002 (the Act) requires the Council's long-term plan (plan) to include the information in Part 1 of Schedule 10 of the Act. Section 94 of the Act requires an audit report on the Council's plan. Section 259C of the Act requires a report on disclosures made under certain regulations. I have carried out this work using the staff and resources of Ernst & Young. We completed our report on 30 June 2025.

### **Adverse opinion on the plan**

In our opinion, because of the significance of the matter described in the basis for adverse opinion section of our report, the plan does not provide an effective basis for long-term integrated decision-making, or co-ordination of the Council's resources, or accountability of the Council to the community. This is because the information and assumptions underlying the forecast information in the plan are not based on the best available information and are not supported by underlying evidence.

### ***Basis for adverse opinion on the plan – assumption over water services delivery***

As outlined on page 5 of the plan, the Council is consulting on the future of water services, and notes its preferred option is to establish a joint Council Controlled Organisation (CCO) with neighbouring councils.

However, the plan has been prepared on the basis that the Council will retain these services for the full term of the plan. We consider the assumption unreasonable, as the Council's preferred option is to establish a separate CCO, which will see drinking water, wastewater and stormwater assets, associated debt and activities being transferred from the Council after 30 June 2027.

The impact on the plan is pervasive given the significance of water services infrastructure and service delivery to the Council.

### ***Opinion – Disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014***

In our opinion the disclosures on pages 223 to 229 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations) and accurately reflect the information drawn from the plan on which we have given an adverse opinion.

A member firm of Ernst & Young Global Limited



### **Basis for opinions**

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

We assessed the evidence the Council has to support the information and disclosures in the plan and the application of its policies and strategies to the forecast information in the plan. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the plan.

Our procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face during the next 30 years;
- the Council's forecasts to replace existing assets are consistent with its approach to replace its assets, and reasonably take into account the Council's knowledge of the assets' condition and performance;
- the information in the plan is based on materially complete and reliable information;
- the Council's key plans and policies are reflected consistently and appropriately in the development of the forecast information;
- the assumptions set out in the plan are based on the best information currently available to the Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast financial information has been properly prepared on the basis of the underlying information and the assumptions adopted, and complies with generally accepted accounting practice in New Zealand;
- the rationale for the Council's activities is clearly presented and agreed levels of service are reflected throughout the plan;
- the levels of service and performance measures are reasonable estimates and reflect the main aspects of the Council's intended service delivery and performance; and
- the relationship between the levels of service, performance measures, and forecast financial information has been adequately explained in the plan.

We did not evaluate the security and controls over the electronic publication of the plan.



### Responsibilities of the Council and auditor

The Council is responsible for:

- meeting all legal requirements affecting its procedures, decisions, consultation, disclosures, and other actions relating to the preparation of the plan;
- presenting forecast financial information in accordance with generally accepted accounting practice in New Zealand; and
- having systems and processes in place to enable the preparation of a plan that is free from material misstatement.

We are responsible for expressing an independent opinion on the plan and the disclosures required by the Regulations, as required by sections 94 and 259C of the Act. We do not express an opinion on the merits of the plan's policy content.

### ***Independence and quality management***

We have complied with the Auditor-General's independence and other ethical requirements, which incorporate the requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* (PES 1) issued by the New Zealand Auditing and Assurance Standards Board. PES 1 is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We have also complied with the Auditor-General's quality management requirements, which incorporate the requirements of Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (PES 3) issued by the New Zealand Auditing and Assurance Standards Board. PES 3 requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other than our work in carrying out all legally required external audits and debenture trust assurance work, we have no relationship with or interests in the Council.

Brendan Summerfield  
Ernst & Young  
Chartered Accountants  
On behalf of the Auditor-General  
Christchurch, New Zealand

A member firm of Ernst & Young Global Limited



# Consultation

In this section you will find details of Council’s process for consulting with the community, Submission and changes from the Draft Plan to this Final 2025/2034 Long Term Plan.

## The Decision Making Process

| Action                                                                                      | Date                                                                                                                                                                                                                                                                                  |
|---------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Consultation Document was adopted                                                           | 30 April 2025                                                                                                                                                                                                                                                                         |
| Public Submission Period Opened                                                             | 1 May 2025                                                                                                                                                                                                                                                                            |
| Community Drop in Sessions Held                                                             | 6 May 2025 St Johns Greymouth<br>7 May Library<br>8 May 2025 Left Bank Art Gallery<br>13 May 2025 Blackball (Roving Caravan pop-up)<br>15 May 2025 Moana (Roving Caravan pop-up)<br>19 May Mawhera Youth Voice (Roving Caravan pop-up)<br>20 May 2025 Runanga (Roving Caravan pop-up) |
| Public Submission closed                                                                    | 31 May 2025                                                                                                                                                                                                                                                                           |
| Council Heard submitters wishing to speak and considered all submissions and made decisions | 10 June 2025                                                                                                                                                                                                                                                                          |
| The Final 2025-2034 Long Term Plan was adopted                                              | 30 June 2025                                                                                                                                                                                                                                                                          |
| Comes in effect                                                                             | 1 July 2025                                                                                                                                                                                                                                                                           |

## Results of the Consultation Process

Council received 166 Submissions from individual and organisation 29 submitters chose to speak to their submission. It was great to see such passion and interest from our community. We would like to thank everyone who took the time to make a submission on our Draft Plan. We cannot do what we do without the input from our community, and it is important to us to get this feedback to know we are on the right path.

### Rates

There is a change to the proposed overall rates increase of 13.69% in year one (2025/2026) This has increased to 13.71% an overall increase of \$11k. This was due to the addition of the West Coast Theatre Trust loan being unable to be wholly absorbed within existing budgets. The average rates over the life of the plan has increased to 8.4%. This is outside our adopted Financial Strategy. This is due to correction of operational costs for insurance that carry across the life of the plan and the addition of the Repayments for the Theatre trust loan funding.

### Key Issues

Below is a summary of the final options adopted for the key issues. Further details can be found in the relevant activity sections in Part E of this Draft Plan and the Consultation Document.

| Issue                                                                            | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Decision                                                                                                                                                                                                             |
|----------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>NZTA funding for footpath and cycleways maintenance and renewal programme</b> | <p>Our funding from Waka Kotahi New Zealand Transport Agency for the footpath and cycleways maintenance and renewal programme under the 2024-2027 National Land Transport Programme (NLTP) was less than in previous years due to a change in strategic direction with the new government's priorities. It is expected Councils are to pick up any shortfalls going forward.</p> <p>This reduction in funding impacts our subsidised footpath and cycleways renewals and maintenance programme - to maintain the existing programme and level of service, Council is proposing to input \$250,000 of rate funding to the activity.</p> | <p>\$250,000 of rates funding will be put towards the subsidised footpath and cycleways maintenance and renewal programme to maintain the programme at its current level</p> <p>Refer to Part E: Land Transport.</p> |
| <b>Future of Harbour Board and History House Buildings</b>                       | <p>The future of the Harbour Board and History House Museum buildings. These buildings are earthquake prone and no longer required for Council business so Council is proposing to sell them rather than undertake costly earthquake strengthening works for buildings which are not required for Council operations.</p>                                                                                                                                                                                                                                                                                                              | <p>Sell both buildings in as-is condition and put the sale proceeds into the appropriate Land Sale Reserve</p> <p>Refer to Part E: Commercial &amp; Property.</p>                                                    |



# About the plan

## What is in the plan

### PART A: Introduction

This section provides summary information about our District and an overview of the plan.

### PART B: Council's Vision and Community Outcomes

Council sets out the vision and outcomes for the District from the engagement activities undertaken in the community.

The LTP then demonstrates how Council can contribute to the Vision and Outcomes through its activities. There are also many activities outside of Council's control that will contribute to this Vision and Outcomes included in this plan.

Community outcomes are the aspirations of the community as a whole, they describe what the community wants to achieve to the Ideal Grey District.

With recent amendments to local government legislation, Council is required to promote the social, economic, environmental and cultural wellbeing of the community. Our Council has taken an approach to focus on our contribution to the Vision and Outcomes that we have included under the four wellbeing headings. More details can be found in : PART B: Council's Vision and Community Outcomes.

All of Council's actions, activities and outputs are aimed at fulfilling the Vision and Outcomes from the Long Term Plan.

### PART C: Council's Financial Strategy

An important part of this plan is explaining and discussing the financial strategy of Council. The purpose of this is to describe the overall financial 'direction' of Council and set out the implications/consequences of the financial 'direction'. This section includes Council setting a limit on rates and debt.

### PART D: Infrastructure Strategy 2025-2055

Council must ensure that it gets as much value as possible from existing infrastructure assets and future investment in new assets. A key part of this is addressing a lack of accurate data about the actual condition of our assets, which will help Council to ensure effective, efficient and innovative management of assets and guide our investment in new assets.

### PART E: What Council Does – reported by *Groups of activities*

An overview is provided for each group of Council activities, outlining the financial requirements, the major priorities and projects for each activity. It also outlines how Council is going to measure its financial and non-financial performance in achieving activity goals and how they link to Council's overall strategic direction.

Further detailed information in respect of the separate activities is contained in Activity Management Plans (these are public documents).

### PART F: Council's finances and rating information

An overall forecast financial summary is given for the next ten years. This information is collated from the financial information for each activity described in the previous section. It also outlines the rates to be set for the 2025/2026 year and an indication of what rates rises would be for future years of the Plan.

### PART G: Other Information

This section provides an outline of the key Council policies and other relevant information required to assist with decision making and planning. There is also a schedule of the proposed fees and charges Council intends to set for the 2025/2026 year.

## What is the Long Term Plan?

Councils are required to produce a Long Term Plan at least once every three years. Our last plan was the 2021–2031 Grey District Long Term Plan.

Last year, Council opted to defer its Long Term Plan in preference for an Enhanced Annual Plan 2024/2025 after the Government gave local authorities the flexibility to do so amid uncertainties around the future of Three Waters service delivery and funding. Therefore, this Long Term Plan is for a period of nine years, rather than the usual ten.

This **Grey District 2025-2034 Long Term Plan (Plan)** represents our effort to demonstrate Council's goals for delivery the various activities it is involved in and how we see the activities of Council contributing to the overall wellbeing of the district. The Plan covers a nine year period from 01 July 2025 to 30 June 2034 and explains what Council intends to do and what the cost will be. The final version will be the product of extensive public consultation, including seeking public input on this original draft version.

The first year of the Plan (2025/2026) is also the Annual Plan for that year (i.e. there will be no separate Annual Plan produced for 2025/2026). The LTP will be updated and revised every three years, based on inputs from within the community. In the second and third years (until the next review) we will prepare an Annual Plan for each year.

Should any significant deviation from this Plan come up, a suitable amendment of this Plan will be consulted on.

## What are activity management plans?

The information required to support and plan for the needs of each Council activity is vast. Therefore Council has Activity Management Plans for each individual activity delivered by Council. These provide the detailed analysis of all the relevant information, such as individual assets, required for each activity. Each Activity Management Plan therefore provides the foundation for the information that is presented in this plan. Each Activity Management Plan is publicly available on request.

## Reporting on the plan

At the end of each financial year (30 June), an Annual Report is completed, outlining Council's actual financial performance as well as those non-financial performance measures that Council uses to measure its achievement.

Measures from the 2023/2024 Annual Report have been used in this Plan as part of our performance framework to indicate Council's current performance.

## Resident Satisfaction Survey

Council commissioned Opinions Market Research Limited, an independent research organisation from Christchurch, to carry out the Grey District Resident Satisfaction Survey. The last survey was completed in November 2023 to February 2024. This survey measures our residents' views on a range of issues, particularly on satisfaction with Council performance in delivering services and providing facilities.

The survey included online, written and telephone responses and was conducted among a representative sample of 350 Grey District residents aged 18+. The statistical margin of error for the total sample of 359 is  $\pm 5.2\%$  at a 95% confidence level.

Results from the 2023/2024 Resident Satisfaction Survey have been included in this LTP as measures of some of our non-financial performance targets for the 2023/2024 year.

Full results from Resident Satisfaction Surveys are available on our website.

## Relationship between the Long Term Plan and other documents



## Grouping of Council activities (Groups of Activities – GOA)

Council is involved in a wide range of activities, and to provide information on each in detail in this LTP would make it an even larger document than it is. We therefore group our activities (Group of Activities – GOA), using the following criteria to decide on the most appropriate grouping:

- The proportion of Council's turnover the activity makes up, e.g. and activity such as roading represents a significant proportion of Council's turnover, and therefore this alone presents a good enough reason to report this activity on its own. Likewise an activity that has little financial impact may be more likely to be grouped in with others;
- How similar activities are to another, e.g. activities such as Swimming Pools and Libraries are often referred to as community assets, as whilst they make an important contribution towards our community as a whole they are not considered essential services like are roading, water supply etc. You will therefore see these type of activities grouped together in this Plan.

The graphic on the following page shows how our activities are grouped for this plan. The groups of activities are very similar to those in the 2021-2031 LTP, with some minor changes made as follows:

- Solid Waste has been renamed Refuse & Recycling
- Environmental Services has been renamed Regulatory & Building Control Services.
- Democracy & Administration has been renamed Governance & Strategy.
- Event facilitation has been moved from Governance & Strategy to Community & Recreation.
- Economic development has been moved from Governance & Strategy to Commercial & Property.
- Public restrooms have been moved from Community & Recreation to Commercial & Property.

## Council's group of activities

|   |                                                   |                                                                                                                                                                                  |
|---|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | <b>Land Transport</b>                             | Includes roading, footpaths & cycleways                                                                                                                                          |
| 2 | <b>Stormwater</b>                                 | Stormwater                                                                                                                                                                       |
| 3 | <b>Wastewater (sewerage)</b>                      | Wastewater                                                                                                                                                                       |
| 4 | <b>Water Supply</b>                               | Water supply                                                                                                                                                                     |
| 5 | <b>Refuse &amp; Recycling</b>                     | Refuse & recycling collection, refuse disposal & recycling                                                                                                                       |
| 6 | <b>Regulatory &amp; Building Control Services</b> | District planning, building control, animal control, health regulation, liquor licensing, regulatory enforcement, emergency management                                           |
| 7 | <b>Commercial &amp; Property</b>                  | Aerodrome, parking, Port, Council property (commercial), Council property (operational), retirement housing, economic development, public restrooms                              |
| 8 | <b>Community &amp; Recreation</b>                 | Library, swimming pool, museum operations, culture, heritage & arts, indoor sports centres, cemeteries, parks, reserves & public spaces, in-house task force, event facilitation |
| 9 | <b>Governance &amp; Strategy</b>                  | Council administration, elected members                                                                                                                                          |

# A thriving, connected and resilient Grey District

## ECONOMIC



- Necessary infrastructure that will support the economy and maintain resilience.
- Collaborating organisations, businesses, industry, and community for positive outcomes.
- A strong, obtainable and prosperous vision of the future.
- Connections and engagement between Council, businesses and the community.
- A focus on ensuring innovation and connectivity.

**Strong, Diverse, Sustainable & Prosperous**

## SOCIAL



- Safe roading, footpaths and community areas.
- Quality facilities that are inclusive, community focused and forward looking.
- A connected, supportive and engaged community and Council.
- A community that is valued, united and strong.
- Effective measurement mechanisms and an understanding of our strengths, weaknesses and wellbeing.

**Safe, Inclusive, Connected & Enabled**

## CULTURAL



- Ensuring relationships with local Māori, our neighbouring districts and significant stakeholders.
- Respect and recognition for the place of Māori.
- A connection with its diverse, unique and colourful history.
- A positive image within and outside of the region.
- Access to participation in a wide range of recreational, sporting, leisure, art and cultural activities.
- A community that looks out for each other and takes hands with Council to make our district better.

**Proud, Unique, Inter-connected & Vibrant**

## ENVIRONMENTAL



- A sensible and considered approach to the issue of climate change and its effects.
- An abundant supply of water available to the community that meets or exceeds all available health and quality standards.
- A sustainable response to our land and natural features and resources.
- A commitment to providing green spaces and places throughout the Central Business District and beyond.
- A commitment to our future generations and their wellbeing.

**Bold, Practical, Resilient & Strategic**

# **PART B: Council's Vision and Community Outcomes**

## How Council determined the vision and outcomes

In February and March 2020, Council engaged significantly with the community about what they would like for their **Ideal Grey District**. This question was designed to enable a strengths-based approach, as opposed to an issues-based approach. We wanted the community to see what they wanted for the future, as opposed to what they thought was wrong with the district.

Throughout the engagement period, we spoke with a diverse range of people in the community. This included: High School Students, Primary School Students, Community Service Organisations, Rural Communities, Council and the disabled person's sector. We also held various pop-up sessions at events in the Town Square, Cobden and the Grey District Library.

One of the highlights was the Kids Art Competition where we asked different age groups about what made Greymouth great. The judging and prize giving event for this was the last event that Council was able to hold prior to the Covid-19 Lockdown that took place.

With over 500 comments received, we worked to prioritise these into theme areas. We noticed that the community had quite a focus on the economy of the district, especially wanting to see the economy improved through good infrastructure, facilities and better employment. Many of the comments focused on the CBD area and what could or should be done to improve this. Overall the comments tended to focus on small matters and improvements so, it was decided to theme these around the four community wellbeing outcomes. Once we themed the comments, it was clear on what the community wanted to see happen in the district under the four community wellbeing outcomes.

Council felt it was important to make the vision and outcomes as bold and simple as possible. These have come directly from our community and it is essential that they reflect the conversations that we have had. We feel by making the statements bold and simple, that our community can easily identify with these. We also hope that in addition to this, it will assist in Council partnering for solutions which will enable this vision and outcomes to come to life in our district.

Given it has only been a few years since the **Ideal Grey District** engagement, we believe our vision and outcomes are still relevant today and therefore these are the same as the last Plan.

## How we will work to achieve the vision and outcomes

Making progress towards achieving the vision and outcomes will need to be a collective effort between Council, community, government and non-government agencies. The Council may be able to contribute by collaborating with the community, brokering, advocacy, lobbying central government or forming partnerships with government and non-government agencies. This would mean taking a collective impact approach and one of the benefits of working this way is that it we can pool resources and ideas and tackle complicated problems to bring about positive change that is very difficult for any one group on its own.

Council is looking forward to exploring and partnering on some of these options with other providers in the future.

Our vision and community outcomes are detailed over the page.

# PART C: Financial Strategy

## Strategy focus

Council is involved in a wide range of activities that each have their own unique funding requirements and challenges.

You can read more about the groups of activities we are involved in Part E: What Council Does – Groups of Activities.

This financial strategy sets the overall direction for the Council's finances over the next nine years. It also outlines the key issues that Council has considered when setting the financial parameters of funding sources and how the funds raised are used.

Any decisions by Council have an impact on the future, so a key part of this Strategy is to highlight possible future implications of decisions made by Council.

## Context and strategic issues

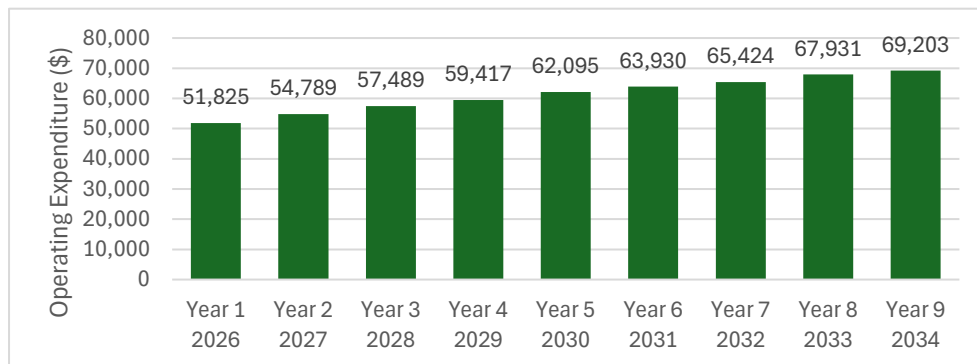
The following commentary provides context to the financial planning undertaken by Council and outlines the specific strategic issues affecting the Grey District.

Please also refer to the Significant Forecasting Assumptions.

### What we will spend

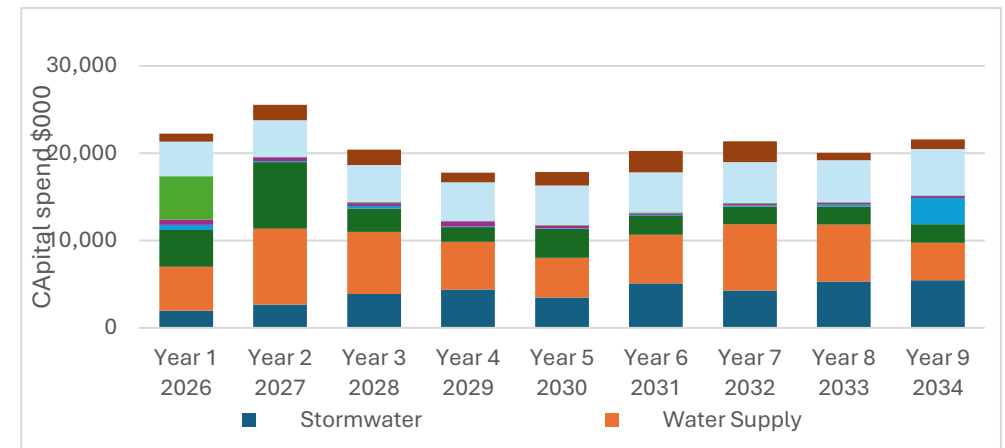
In simple terms, our day-to-day spending to maintain services (i.e. Operating Expenditure) will increase from \$51 million to \$69 million between June 2025 and June 2034 (taking inflation into account).

**Figure C-1: Projected operating expenditure 2024-2035**



## Capital spend

**Figure C-2: Projected capital expenditure 2025-2034**



The money we invest in rebuilding roads, replacing pipes and refurbishing or building facilities (i.e. Capital Expenditure) will fluctuate between \$17.7 million and \$25.4 million throughout the nine-year period.

For 2025/2026, all financial statements have been prepared using 2025 dollars. Price level adjustments for inflation have then been included in all financial statements for the following eight years.

Our key priority is to now maintain and renew the assets we have and continue to provide existing levels of service.

More information on our plans with regards to infrastructure can be found in our Infrastructure Strategy.

### Static growth

Statistics New Zealand forecasts are for a modest increase in our population. For the year ended 30 June 2024, the population of Grey District rose 1%. This modest rate of growth is expected to remain unchanged through the nine years of the LTP.



## Affordability

Council is well aware that affordability is a key issue for our community; we have to balance the needs and wants of the community with the ability and willingness to pay for the services and activities it provides.

We also need to ensure that we don't put our heads in the sand when it comes to making decisions affecting our District in the sole interest of keeping rates low. Addressing issues now may cost in the short term but will save larger financial headaches later. An example of this is starting to address deferred renewals now rather than continue to let them build up.

## Vulnerability to natural hazards

The Grey District, being close to the sea and the Alpine Fault and in a high rainfall zone, is susceptible to natural hazards such as flooding, earthquakes, tornados and more. The impacts of natural disasters can be significant and impose substantial unbudgeted costs on the Council.

As noted, in later years of this LTP Council is proposing putting in place regular sums to increase the disaster reserves. This will help ensure Council's resilience to natural disasters.

## Deferred renewals

As signalled in our Infrastructure Strategy, we are focussing on continuing to address deferred renewals in our Water Supply and Stormwater activities. Failure to address these could have serious implications, both financial and impacting on the service provided.

It should also be noted that whilst we are starting to address the backlog of renewals, it will take many years to fully remedy the problem and in the meantime Council and the community will carry some risk in the form of failures, increased maintenance costs and potential impact on levels of service provided etc.

Please refer to our Infrastructure Strategy for more details.

## The world around us

Like most of New Zealand, the Grey District is influenced by external factors – national and international, environmental, economic and political. Future changes in interest rates, international markets and legislation, as well as natural hazards and climate change, have the ability to impact on the Council's finances.

## Legislation

Council faces significant challenges maintaining its water supply assets due to historic under-funding, ageing infrastructure, historic deferral of asset renewals and rising costs. Water treatment plants have issues complying with drinking water standards, exacerbated by high levels of leakage from underground pipes. These challenges are present against a backdrop of significant change in New Zealand's water sector, with the future of Council's water service delivery not yet certain.

Local Water Done Well is the Coalition Government's plan to address New Zealand's long-standing water infrastructure challenges.

The Local Government (Water Services Preliminary Arrangements) Act 2024 will require all Councils to develop a Water Services Delivery Plan which provides information about their water services operations, assets, revenue, expenditure, pricing and projected capital expenditure, as well as necessary financing arrangements, as a first step towards future economic regulation.

Activity Management Plans (AMPs) have been developed in advance of Council's development of its Water Services Delivery Plan. They recommend the programme of investment that must be delivered no matter the future delivery model (in-house or water organisation, stand-alone or joint). Council will engage on the proposed delivery model alongside consultation on the Long Term Plan, with the final Water Service Delivery Plan submitted in September 2025.

Council has reported some reasonable surpluses over the last several years. However, when you take away the large subsidies and grants for capital projects, Council has actually been running at a deficit. This is not necessarily a bad thing, short term, but is something Council has addressed in this LTP. By Year 6 it is expected that Council will be running surpluses across the remaining years of the plan.

Since the preparation of the draft Long Term Plan Council gained further information into the changing space of three waters reform. After consideration Council has moved forward to consult with the public with a preferred option of a multi-council CCO. This option is currently out for consultation in conjunction with Buller and Westland District Council's. This option has not however been incorporated into this Long Term Plan which was prepared on the basis of council retaining services in-house this is due to the timing of the decision making process for LWDW.

# Financial goals

The Council's goals for managing its finances are outlined in the following table. These financial goals have been set to reflect where the Council wants to be in 2034 and they focus on the following:

|          |                                                                                                                                                                                                                                                                            |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1</b> | <b>Rates revenue set to meet Council and community needs. Setting rates at a level that enables Council to practice prudent financial management by addressing significant issues, e.g. deferred renewals, funding future projects and reducing annual rates deficits.</b> |
| <b>2</b> | <b>Decrease debt over the life of this Plan.</b>                                                                                                                                                                                                                           |
| <b>3</b> | <b>Retain capacity to borrow for unforeseen events (such as natural disasters). Debt levels to be kept within our policy limits.</b>                                                                                                                                       |

The challenge for this Council and community is to raise enough revenue to meet the current cost of providing services to the district and keep the Council in a sound financial position to face any challenges in the future.

This financial strategy is aimed at responding to the needs of the community in responsible way, while ensuring long term stability of rates by forward planning for major capital expenditure including renewal and replacement of existing assets. Our strategy for meeting these financial goals is outlined in the next section.

# Our Strategy

This section outlines Council’s strategy for meeting its financial goals and addressing its strategic issues.

## Rates

After making budget decisions, capping debt and agreeing that paying for everyday costs with everyday revenues was a priority, we have determined our rates limit.

The challenge for this Council and community is to raise enough revenue to meet the current cost of providing services to the District and keep the Council in a sound financial position to face any challenges in the future. This is particularly challenging in Year 1 of the LTP, where the proposed rates increase is 13.71%.

From Year 2 onwards, Council proposes to keep rates rises at a level that allows it to address significant issues in deferred renewals, build up reserves for future projects, important community assets and emergency funds and ensure it meets increased legislative requirements and standards. While Council has budgeted prudently in the LTP, our proactive approach means that the headline rate increase for the next nine years will be higher than rate increases have been in previous years.

We are confident, however, that this will put the district in a stronger position to meet the needs of our current and future communities. The average proposed rate increase across the plan is no longer sitting within Council’s policy limit of an average of 7.9% over the life of the plan. The average over the life of the plan is 8.4%. After the Financial Strategy was prepared and put out for consultation a revision of the insurance costs included in the plan was completed and found the amount previous budgeted to be inefficient. After Submission were heard Council made the Decision to take over the West Coast Theatre Trust Loan. These two items have resulted in breaching the rates limits set in the financial Strategy.

For rate increases to be lower, Council would need to:

- Continue to defer those issues identified above; and/or
- Cut expenditure with associated decreases in levels of service.

The average rates increases are set at the lowest level possible to still achieve our capital investment programme. Much of this programme is funded from debt and the amount we can borrow is constrained by our Debt-to-Revenue Ratio limits. The budget shows that at this level we can complete our capital investment programme, maintain services and create surpluses necessary to repay debt.

Note: The impact of any proposed rate rises will vary from property to property depending on the value of the property, what the property is used for and what targeted rates are applicable.

No new rates are being considered over the nine years of this LTP.

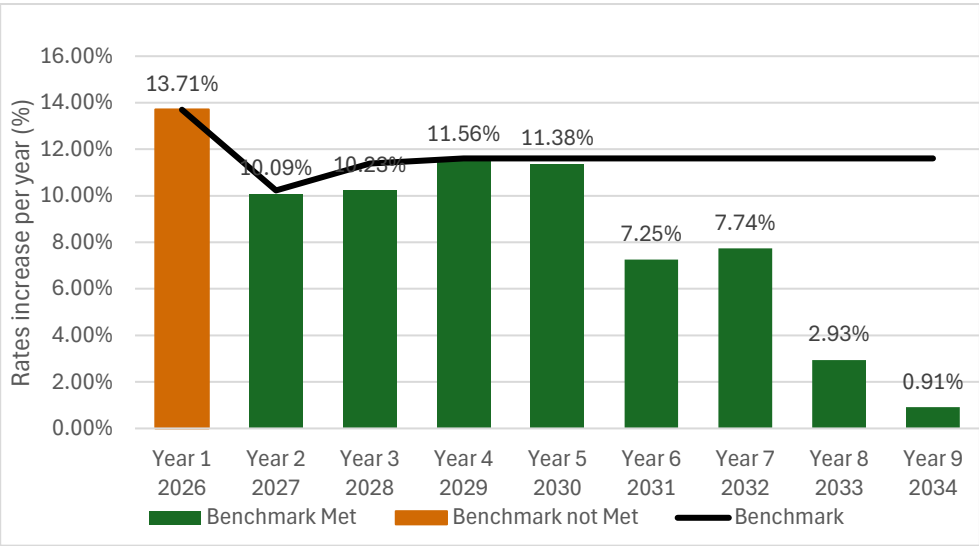
The following graph illustrates total forecast rate revenue compared against the upper limit.

As part of the Financial Strategy, Council has set rates limits as required by law. These are proposed at:

- Total rates increase to be no greater than 13.70% for Year 1;
- 10.09% for Year 2;
- 10.31% for Year 3; and
- Not exceed 11.60% for the remaining years.

The average rates across the nine years to be no more than 7.9%, inclusive of inflation.

Figure C-3: Rates increase 2025-2034



The rates increases are required for:

|        |                                                                                                                                                                                                                                                            |
|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Year 1 | Fund increases in costs associated with the new kerbside recycling contract.<br>Allow for new operational costs of the new library facility opening. Westland Recreation Centre impact of minimum wages increases and returning staffing to full capacity. |
|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|        |                                                                                                                                                                                                                                                                                                                    |
|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        | Additional stormwater renewals to reduced deferred maintenance levels.                                                                                                                                                                                                                                             |
| Year 2 | Increased Stormwater Renewals funding to reduce deferred maintenance.<br>Westland Recreation Centre increased funding for Pool Liner and UV Filtration Replacement<br>Emergency Reserve funding to build up a reserve for emergencies.<br>Increase Port funding to replace debt funding or port operations         |
| Year 3 | Increased Stormwater Renewals funding to reduce deferred maintenance<br>Increased roading funding to allow for footpath maintenance no longer funded through NZTA subsidies.<br>Increase Port funding to replace debt funding or port operations.<br>Funds increase in cemeteries for Gladstone Stage 3 expansion. |
| Year 4 | Increased Stormwater Renewals funding to reduce deferred maintenance                                                                                                                                                                                                                                               |
| Year 5 | Increase in Information technology Infrastructure changes.<br>Increased Stormwater Renewals funding.                                                                                                                                                                                                               |
| Year 6 | Increase in Information technology Infrastructure changes.<br>Increased Stormwater Renewals funding.                                                                                                                                                                                                               |
| Year 7 | Increased funding for upgrade of Dixon park.                                                                                                                                                                                                                                                                       |
| Year 8 | Increased Stormwater Renewals funding.                                                                                                                                                                                                                                                                             |
| Year 9 |                                                                                                                                                                                                                                                                                                                    |

## Balancing the books

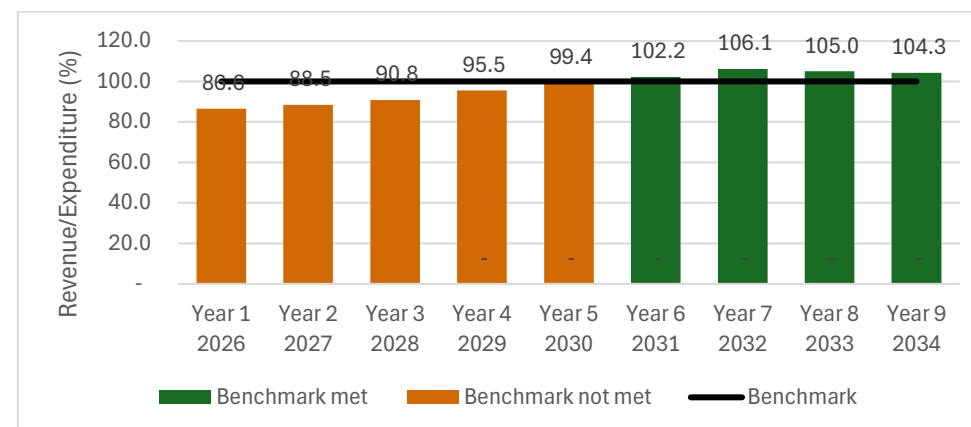
Everyday costs should be paid for from everyday revenues. If we fail to achieve this, these costs are funded by increasing debt. This means existing ratepayers are not paying for some of the services and amenities being provided to them. Using debt to fund everyday costs also means future ratepayers will pay for this cost and the extra interest. This is neither prudent nor sustainable.

We must operate with surpluses if we are to repay debt and continue to invest in the Districts' future by maintaining existing assets and building new infrastructure. Council is proposing a step change that will mean that the Council is funded sufficiently to enable surpluses to be achieved.

The following graph summarises how this will be achieved across the whole of Council.

This Financial Strategy enables a balanced or surplus budget from Year six onwards.

**Figure C-4: Council surplus/deficits (excluding grants and subsidies for new capital and excluding other non-operating revenue)**



This is to be achieved by prioritising those activities where additional funding is assessed as being more critical, namely:

- Stormwater
- Water Supply

## Stormwater

The Grey District Council stormwater infrastructure faces several challenges, including capacity constraints in the Greymouth CBD system, leading to surface flooding during moderate rain events. Urban stormwater systems are typically designed to cope with a 5 to 10-year return period storm events to ensure no ponding is evident two hours after the rain stops and prevent damage to dwellings, commercial or industrial property in a 50-year storm (a large flood event that has a 2% probability occurring in any given year). The Greymouth CBD is prone to far more frequent flooding events with capacity varying between a 1-year return period storm event up to a 5-year storm events. Meaning there is not a single level of service in the CBD but various levels of service.

Commencing during the 2015-2025 LTP and continued in subsequent LTP's, the Council has endeavoured to reduce the annual deficit this activity has been run at. This LTP will continue in the same manner by increasing rate input every year of this Plan for the purposes of addressing the renewals backlog which has been confirmed by recent condition assessments. It is noted there are pockets of significant deferred renewals in parts of the District and some areas are serviced by a reduced capacity reticulation, thus increasing the risk of flooding and damage to properties and businesses.

Deferred renewals

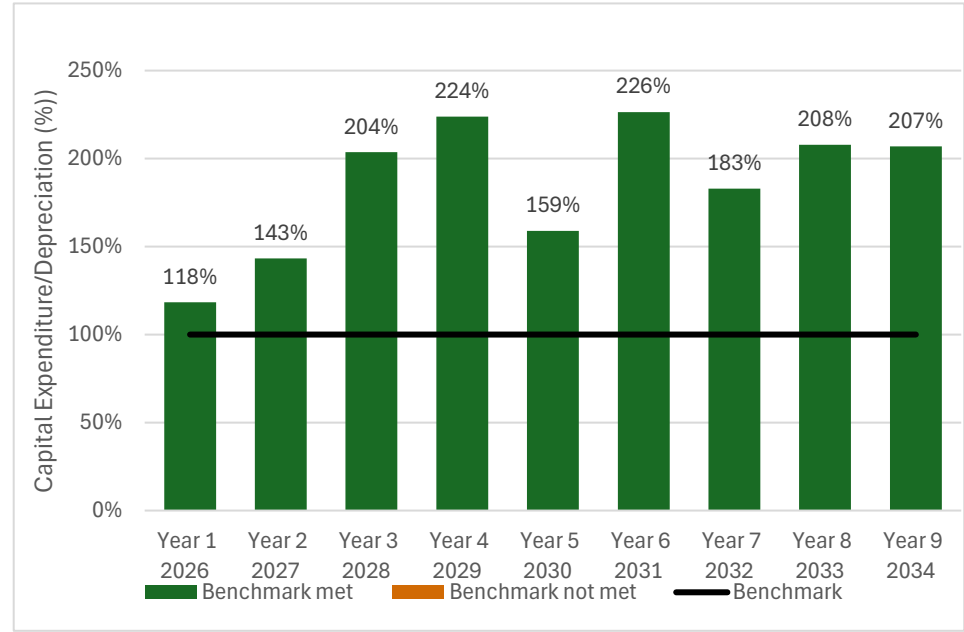
The Stormwater activity has the second largest backlog of deferred renewals among the three waters activities of around \$27.6 million. This LTP budget outlines a comprehensive programme to address these deferred renewals and upcoming maintenance. The goal is to ensure that by 2054, Council will have effectively managed its programme across all three waters activities to ensure asset lifecycles and operational costs are optimised. Over the course of this LTP, \$20.7 million is set aside in the capital programme for the renewal of various pipe, plant and point assets.

Due to the backlog of renewals to be addressed, Council will be funding this activity in surplus.

Council will, from there on, continue to raise annual revenue (i.e. rates) at a greater amount than total annual expenditure to allow it to address the renewals backlog that has been created whilst the activity has been under funded (refer to infrastructure strategy to see detail of timeframe addressing renewal backlog).

Refer to the Stormwater section in PART E for activity information.

Figure C-5: Depreciation Funding for Stormwater activity



Water supply

Both the Greater Greymouth and Blackball water treatment plants require upgrades to meet new drinking water standards. These plants have been non-compliant since the current Drinking Water Standards for New Zealand came into effect in November 2022. Council expects to address issues at both plants by 2026.

Deferred renewals

Council’s water supply network is ageing and experiencing poor condition in some areas leading to breakages and a high rate of leakage, estimated around 70%. This leakage creates multiple issues, the most significant the capacity demand on the water treatment plants to ensure sufficient water is available to connected properties. This loss represents a significant level of operational cost being wasted.

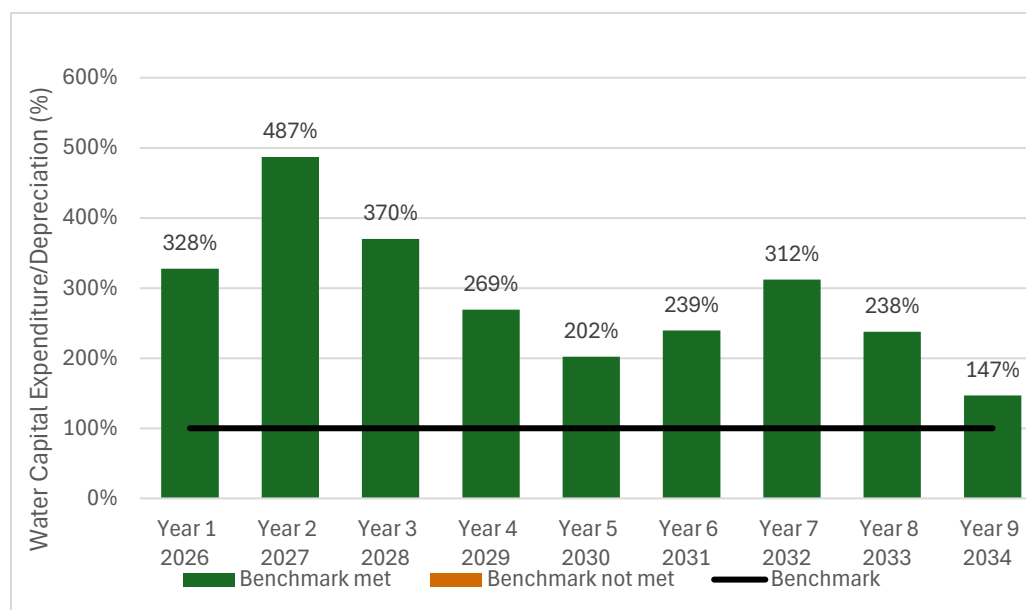
The water supply activity also has the largest backlog of deferred renewals across the three waters, estimated to be approximately \$30.3 million today. Over the course of this LTP, \$25.1 million is set aside in the capital programme for the renewal of various pipe, plant and point assets.

The timeframe to address deferred renewals is 29-years, meaning multiple assets will be required to exceed their expected useful lives. This is a major concern due to the age of assets, for example Blaketown average pipe age is 48-years, Cobden 43-years, and Greymouth 39-years. In reality, it will not be practical for all assets to be pushed this long, and Council will expect failures.

Council is planning on increasing rates input to this activity to address deferred renewals, year on year.

Due to the backlog of renewals to be addressed, Council will be funding this activity in surplus.

Refer to the Water Supply section in PART E for activity information and the Infrastructure Strategy in Part D to see detail of timeframe addressing renewal backlog.

**Figure C-6: Depreciation Funding for Water Supply activity**

## Wastewater

Three schemes are currently operating under expired consents and two more expire in the next five years, which will have a significant impact on the future investment in required for wastewater services.

Previous decisions to keep water rates low over the last 10 to 20-years means that the level of revenue increase needed now is not considered affordable to current ratepayers, so the increase will occur more gradually over time, resulting in continued deferral of some projects.

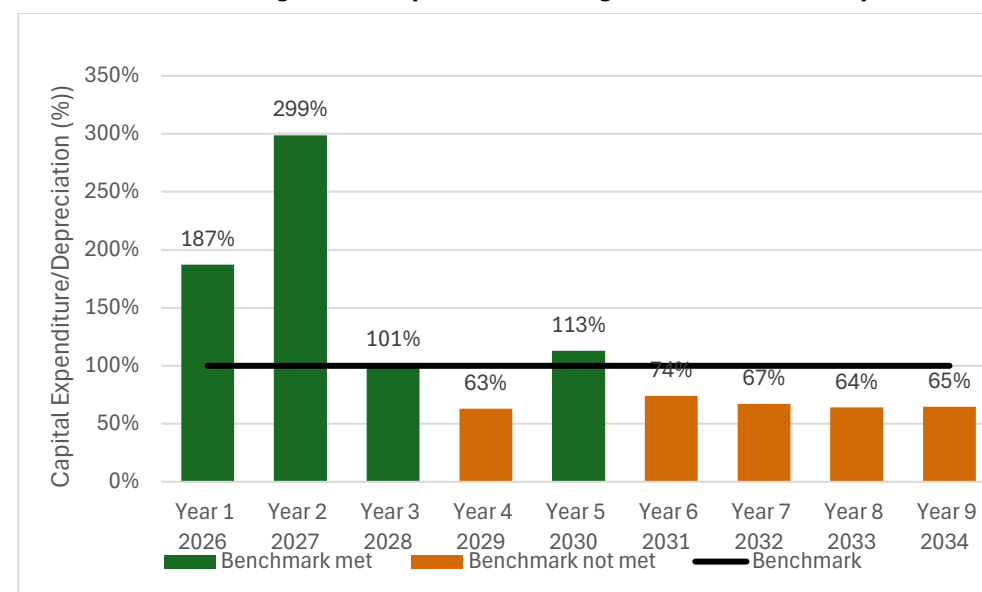
New capital works being proposed in the LTP will create more depreciation, making a surplus harder to achieve in the last years of this LTP. With this focus on new works, which are funded by loans, the return to surplus will be longer than it would have been if the focus was on renewals, which is largely rate funded. Wastewater is expected to return to surplus in Year 5.

## Deferred renewals

The Wastewater activity has the smallest backlog of deferred renewals among the three waters activities of around \$2.3 million. This LTP budget outlines a comprehensive programme to address these deferred renewals and upcoming maintenance. The goal is to

ensure that by 2054, Council will have effectively managed its programme across all three waters activities to ensure asset lifecycles and operational costs are optimised. Over the course of this LTP, \$13.9 million is set aside in the capital programme for the renewal of various pipe, plant and point assets

There is no plan to significantly increase rate funding to this activity at present. We will continue to address prioritised deferred renewals within our existing budgets. The profile of deferred renewals for Wastewater is detailed in the Infrastructure Strategy. This funding strategy will be reviewed periodically, at a minimum as part of each future LTP.

**Figure C-7: Depreciation Funding for Wastewater activity**

## Land Transport

The financial assistance rate that Council receives from Waka Kotahi New Zealand Transport Agency (NZTA) is 64%.

A key issue Council must consider is the cost to maintain and replace bridges and structures in remote locations that service access to individual farms but at a high cost to ratepayers. It is unlikely that continuing to provide Class 1 and above access to all properties is feasible and, in doing so, will reduce the funding available to make critical investment on higher use routes.

Over the past three years, Council has been focusing on improving footpath condition and addressing a growing backlog, however reduced funding by NZTA has meant that the

condition of some footpaths is likely to decline. To counter this Council has increased its budget for the subsidised footpaths and cycleways maintenance and renewal programme by an additional \$250,000. Despite this additional investment, if this level of investment is maintained into the future asset condition and performance will decline from its current state.

Refer to the Land Transport section in PART E for activity information and the Infrastructure Strategy to see detail of timeframe addressing renewal backlog.

## Port

For the last several LTP's the Port has been signalled as a difficult challenge for Council. The Port has run at a deficit for many years, which Council has funded from asset sales (freeholding of leasehold sections).

Council has reduced its expenditure to what it believes are the minimum to still be able to operate the Port and with no more significant value assets available to sell, Council, at the last LTP, began reintroducing rate funding to this activity to start addressing the Port deficits. This strategy continues in this LTP, with rates revenue expected to increase to cover costs by Year 3. In the interim, instead of raising debt for the shortfall, existing reserves are being used. These reserves will be repaid back over Years 3 to 7 of the LTP.

This means that by Year 3, the Port will have sufficient revenue to cover costs and by Year eight the Port will be fully funded and reserves used will have been repaid.

Should additional income be sourced for the Port, rates requirements will be reduced.

Debt associated with the Port will continue to be paid down over the course of the LTP.

Refer to the Other Transport section in PART E for activity information.

## Debt

While debt is expected to increase significantly over the first four years of this LTP, Council's debt starts to reduce from Year 7 onwards. To achieve this reduction in debt, most new loans raised have been set to be repaid over 20 years rather than the previous 30 years of other LTP's. All loans raised before 30 June 2025 are repaid using the original term when the loan was uplifted.

This approach allows Council to put funds previously allocated to servicing of debt into operational activities or reserves to help fund projects in the future with cash reserves rather than debt.

We are comfortable with the level of debt Council holds and there is still capacity to borrow if required for unforeseen events or emergencies. Some examples where we may need to increase our debt includes:

- Unforeseen infrastructure works, i.e. critical failures.
- Sudden changes in standards we must comply with, i.e. increases in Drinking Water Standards following the Havelock Water Inquiry.
- Emergencies, i.e. natural disasters etc.
- Smoothing the financial impact of large renewal expenditure, e.g. bridge replacements.

Renewals and operating expenditure are not funded by new borrowings, apart from the following exception:

1. Renewals in stormwater and water for the first three years are seeing significant increases. To smooth rate increases the sum of \$1.798M has been loan funded and will be repaid back by the end of the LTP. This is to spread the cost over a few years, smoothing out the rate revenue required from year to year.

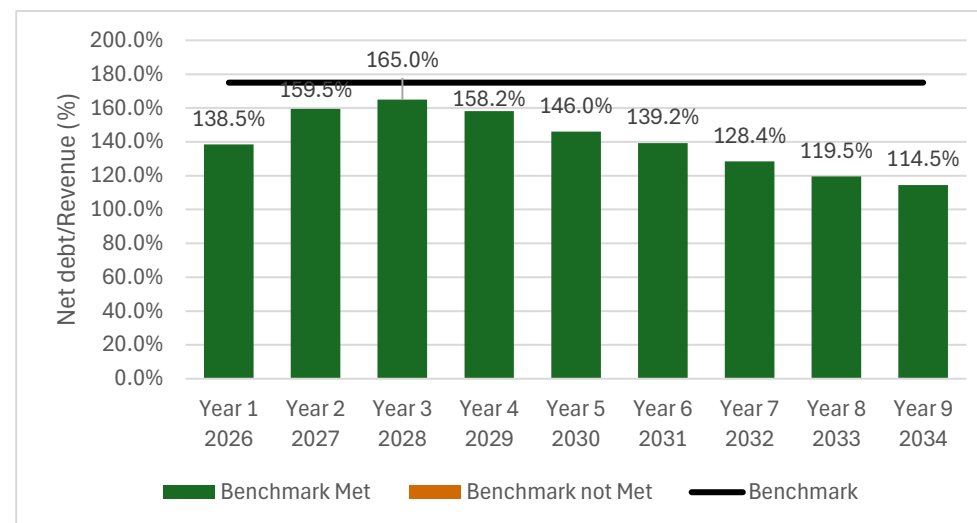
As noted earlier, it is our intention to reduce the overall level of debt Council has over the life of this Plan.

As part of the Financial Strategy, Council have set debt limits as required by law.

These are proposed as:

- Net interest payments to service external debt must be less than 10% of our total revenue (excluding vested assets, infrastructure revaluations and other gains).
- Net interest payments to service external debt must be less than 25% of total rates for the year.
- Net debt shall not exceed 175% of total revenue.
- Council must maintain access to liquidity of not less than 110% of projected core debt.
- Total net debt per ratepayer for Years 1 to 9 shall not exceed \$8,600 per ratable unit.

**Figure C-8: Total overall debt 2025-2034 (projected debt as a % of revenue)**

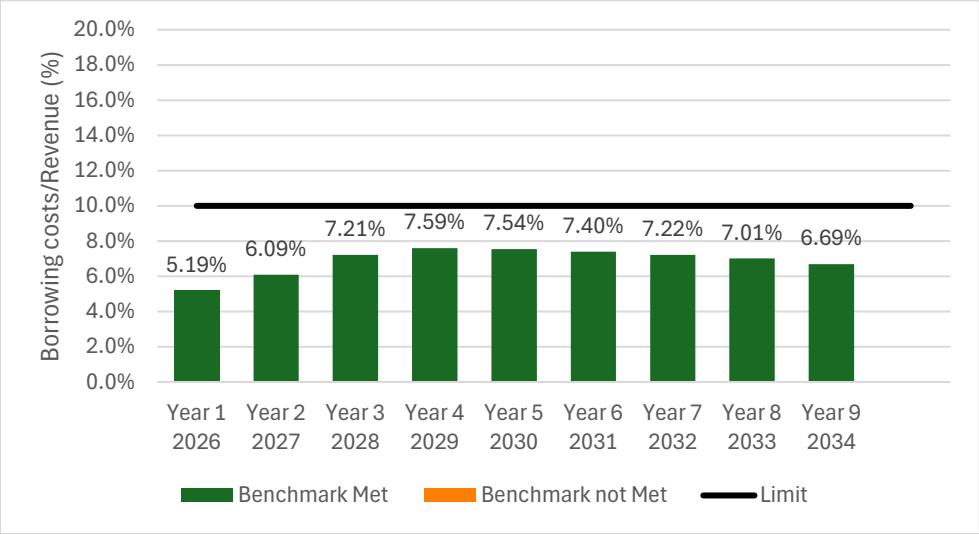


Council sets borrowing limits in its *Liability Management Policy*, which set out the levels of debt that Council is willing to extend to on behalf of the community. These policy limits are set on the basis that with the exception of Years 2 and 3, debt remains well within the parameters that Council feels is sustainable into the future.



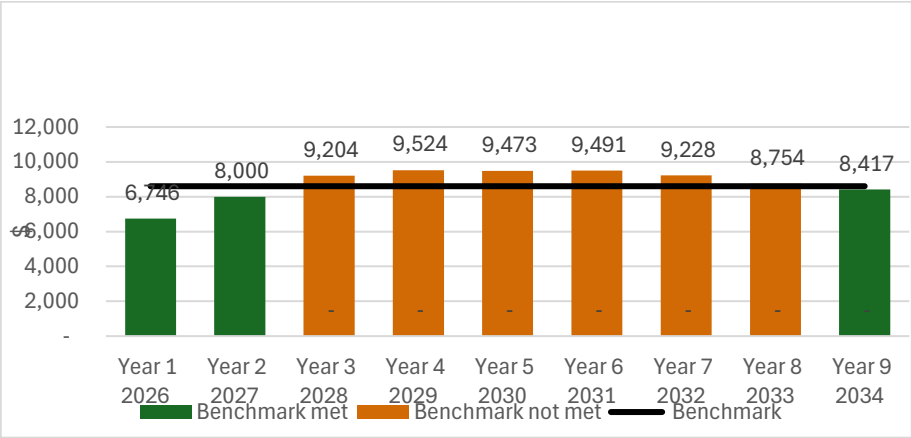
The following two graphs illustrate the impact of the forecast borrowing in this Plan against the liability policy limits.

**Figure C-9: Debt servicing (finance) costs 2025-2034 (project interest as a % of revenue)**



helps keep our interest rates low. Giving rates as security means that our lenders can make us charge ratepayers more to repay debt. That is why it is important to keep our debt at a sustainable level. We may also offer other security, including physical assets, in certain circumstances. The full policy on giving securities can be found in the *Investment and Liability Management Policy* on our website.

**Figure C-10: Total debt per ratepayer 2025-2034**



To borrow cash, we must offer our lenders security, just like residents do with their mortgage. Like most Councils, debt is secured against rates income. Lenders like this as security and it

# Impact on level of service

## Changes to levels of service

Council provides our community with good quality local infrastructure and local public services as well as cost effective regulatory functions. This Financial Strategy is designed to maintain the current level of services, facilities and regulatory functions provided by the Council.

Depending on public feedback, we may decrease the levels of service for:

- Footpaths

## Maintaining levels of service

Council has an extensive level of information about its significant assets. Council is continually looking to improve the quality and accuracy of the information we have. This information is contained in separate Activity Management Plans (AMPs). The AMPs also contains detailed service level information such as network condition and capacity, response to service requests and criteria for maintenance, renewals and upgrades. Council uses this information to plan the required level of operational input required and maintenance of assets required to maintain the current level of service.

A large part of the asset maintenance is delivered through contracts to external parties. A challenge for Council is to continue monitoring of the contracts to ensure that the best value is delivered, and to gain efficiencies wherever practical. This Plan assumes that the contracts will be able to be renewed or re-let at a cost within the predicted levels of inflation.

## Capital expenditure to maintain levels of service

As stated, Council has an extensive level of information about its significant assets in Activity Management Plans (AMPs). Council uses this information to plan the required level of renewals required to maintain the current level of service. Council is signalling in this Plan to spend:

**Figure C-11: Capital expenditure 2025-2034**

| Activity Group       | Growth           | Level of Service  | Renewals           | Total              |
|----------------------|------------------|-------------------|--------------------|--------------------|
| Water Supply         | 2,107,400        | 24,519,994        | 28,286,824         | 54,914,218         |
| Wastewater           | 4,255,206        | 9,544,145         | 13,957,966         | 27,757,317         |
| Stormwater           | 300,304          | 14,147,046        | 22,083,745         | 36,531,095         |
| Roading              | 0                | 0                 | 40,806,565         | 40,806,565         |
| Solid waste          | 3,133,041        | 516,580           | 871,883            | 4,521,504          |
| Cemeteries           | 0                | 741,272           | 383,737            | 1,125,009          |
| Libraries            | 0                | 5,649,154         | 0                  | 5,649,154          |
| Retirement Housing   | 0                | 0                 | 3,133,291          | 3,133,291          |
| Other                | 0                | 3,352,023         | 9,462,585          | 12,814,608         |
| <b>Total Capital</b> | <b>9,795,951</b> | <b>58,470,214</b> | <b>118,986,596</b> | <b>187,252,761</b> |

The detail of this is contained in PART E: What Council Does – Groups of Activities.

# Other funding sources

## Investment revenue

Council holds a number of investments, the majority of which are associated with Special Funds that are held for specific purposes. Council takes a conservative/low risk approach in investing these funds. Council's principles determining how we invest funds are:

- Optimise investment returns while balancing risk and return considerations.
- Ensure that investments are liquid and sufficiently flexible.
- Diversify the mix of financial investments.
- Managing potential capital losses as a result of interest rate movements.
- Providing for termination of investments before maturity if deemed necessary.

Council's total investments are detailed in the balance sheet.

As the majority of the investment returns are returned to Special Funds (reserves), the returns are not directly related to the funding of Council's day to day expenditure. How these investments perform, whilst important, does not directly relate to Council's Financial Strategy on funding the costs of providing the levels of service detailed in this Plan.

Council will retain a minimum level of investments at any one time that we believe would be required in a medium to large scale emergency event to meet any immediate cash flows required to supply resources.

## Asset sales

Council has sold many of its assets that were not held for any direct strategic purposes, i.e. not used as part of delivering Council services. The majority of these sales relate to freeholding of leasehold sections that Council owned. This also aligns with Council's policy of encouraging private freehold ownership of these properties. Where the sale involved 'harbour endowment' land, the proceeds were used to fund Port deficits.

Council has decided to sell both History House and the old Harbour Board offices. Both these buildings require considerable costs to meet current earthquake standards. Other than the sale of these properties Council is not considering selling and other assets.

For the purposes of this Plan, Council has signalled negligible return from the sale of assets and therefore there is no impact to Council's Financial Strategy on funding the costs of providing the levels of service detailed in this Plan.

## Council's insurance and resilience

This LTP provides for the everyday maintenance of assets and the renewal of assets at the end of their economic life. Unplanned events require earlier than planned investment (e.g. Civil Defence emergencies, natural events, river slips, fire, theft, and safety concerns). These events, if they occur, could result in significant unplanned operating and capital costs. Council has mitigations that can be executed in the case of such an event. For the purposes on this Plan, we have assumed that our insurance cover will continue to cost a similar amount.

The likelihood of a natural disaster during the life of this Plan would be assessed as more than likely. Council has planned to deal with such events as a part of normal day to day business. Funding of responding to a larger scale event would need to be dealt with by a combination of:

- Special funds set aside (particularly the *Disaster Recovery Reserve*)
- External assistance (such as NZTA financial assistance)
- Borrowing
- Increasing rates and other revenue over and above what is signalled in this Plan

Council, being mindful that the District is exposed to changing weather patterns, has taken the opportunity to increase its ability to withstand disasters within the District that may not necessarily trigger the use of insurance. From Year 1 of the Plan, funding of \$10,000 has been set aside an amount that will increase to \$500,000 per annum by Year 7 (2% of rates in today's dollars). This funding is set aside in the Disaster Recovery Reserve and can only be used for the intention of that reserve.

In addition, the Roding Emergency Fund is being increased so that by Year 4 of the LTP it will hold a minimum of \$800,000.

These funding increases will ensure that Council is better placed to meet unexpected events in the future.

# **PART D:       Infrastructure Strategy 2025-2055**

# Foreword

This infrastructure strategy represents a significant shift towards a more proactive and transparent approach, aimed at addressing the challenges and opportunities that lie ahead. Our goal is to achieve financial sustainability while balancing community affordability through a gradual approach to revenue growth.

Historically, our infrastructure planning has been constrained by a top-down approach, fitting within a predefined funding envelope. In this Long-Term Plan (LTP) cycle, we are introducing a step-change by adopting a bottom-up approach. This involves identifying all necessary actions and then prioritising them to ensure financial sustainability. This marks the beginning of a new, enduring approach for GDC, providing continuity and establishing an efficient process for the future.

This strategy is not just about improving asset management; it is about providing evidence, being transparent about challenges, and avoiding a reactive approach. By doing so, we aim to build a resilient and sustainable infrastructure that meets the needs of our community now and in the future.

# Introduction

The Grey District Council (GDC) Infrastructure Strategy sets the long-term direction for managing and developing the district's core infrastructure assets over the next 30 years (2025-2055). This strategy ensures that Council's infrastructure investment decisions meet the needs of current and future generations while balancing affordability, risk, and resilience.

Infrastructure underpins the wellbeing of our community, supporting economic activity, ensuring public safety, and providing essential services. This strategy covers five core activity areas:

- Three Waters (water supply, wastewater, and stormwater)
- Transportation
- Community and Recreation
- Commercial and Property,
- Refuse and Recycling

Each area plays a vital role in delivering the services that residents, businesses, and visitors rely on daily.

This Strategy provides an indicative estimate of Council's future infrastructure needs and states the current assumptions and thinking around what infrastructure will be required to address the major issues facing the district. It prioritises key investments and identifies the risks associated with infrastructure provision and funding decisions.

Council must take into account the need to:

- renew or replace existing assets;
- respond to growth or decline in the demand for services;
- allow for planned increases or decreases in levels of service;
- maintain or improve public health and environmental outcomes or mitigate adverse effects on them;
- provide for the resilience of infrastructure assets by identifying and managing risks relating to natural hazards and by making appropriate financial provision for those risks.

The Infrastructure Strategy aligns with other key strategic documents, including the Financial Strategy and the Long-Term Plan (LTP). Together, these documents form the strategic framework that guides more detailed Activity Management Plans (AMPs), ensuring a coordinated approach to asset management and community service delivery.

# Strategic context

## Legislative Framework

Section 101B of the Local Government Act 2002 requires councils to prepare an infrastructure strategy that identifies significant infrastructure issues, outlines options for addressing them, and details the implications of those options. Key considerations include:

- Asset renewals to maintain levels of service.
- Resilience against climate change and natural hazards.
- Changes in demand from population growth, economic development, and technological advancements.
- Compliance with evolving legislation and regulatory standards.
- Financial sustainability to ensure affordability for the community.

Under the Local Government Act 2002, Council's key role includes promoting 'the social, economic, environmental and cultural well-being of communities in the present and for the future'. In performing its role to meet the needs of the community, Council has a responsibility to deliver cost-effective, good quality local infrastructure. This includes the providing, maintaining and upgrading of core infrastructure services.

## West Coast snapshot

The West Coast, Te Tai Poutini, region runs over 600km along the West Coast of the South Island between the Tasman Sea and the Southern Alps. It is one of the most

sparsely populated areas of the country, with just 1.4 people per square kilometre compared to 15 in wider New Zealand. The region encompasses the territorial authorities of Buller, Grey and Westland districts, and the principal towns are Westport, Greymouth and Hokitika, respectively.

The natural environment and topography are key influencers of the economy and contribute to the unique challenges faced by the people who live and work on the West Coast. Approximately 85% of land in the region is managed by the Department of Conservation (DoC).

In addition to its geographic isolation, the West Coast is exposed to a range of natural hazards including extreme weather events, flood-prone river systems, proximity to the alpine fault, landslips, and exposed coastal areas. These hazards regularly disrupt the transport network, which is a vital lifeline for maintaining access to remote communities and the many New Zealand and overseas visitors to the region.

## Demographics

The West Coast is the country's fifth largest region by land area, but the smallest by population size. Approximately half of the residents live in the main centres of Westport, Greymouth and Hokitika with the remaining residents dispersed in small towns and rural areas across the region.

The estimated population of the Grey District in 2022 according to Infometrics data was 14,200 people.

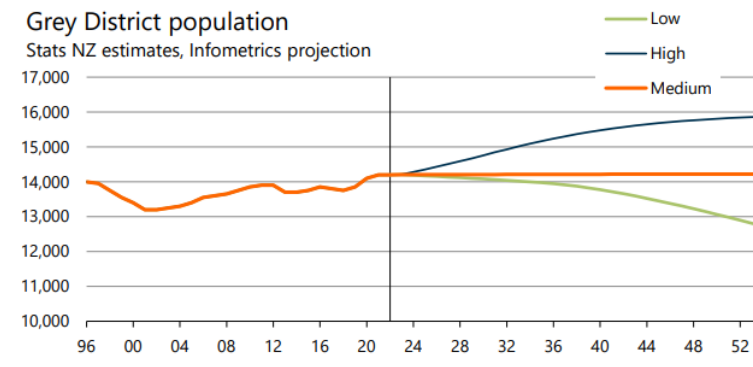
Grey District's population has grown by 800 residents from 13,400 in 2000 to 14,200 in 2022 (Figure 2). Under a medium scenario, population growth is projected to remain flat over the forecast period.

In the high scenario, population growth is expected to increase 0.5% per annum between 2022 and 2034, easing to 0.3% in 2034 and reaching 15,900 by 2054. In the low scenario, growth is expected to ease to 0.1% to 2034 and then decline by 0.5% from 2034, reducing to 12,800 by 2054.

**Figure 12: Overview of the West Coast Region**



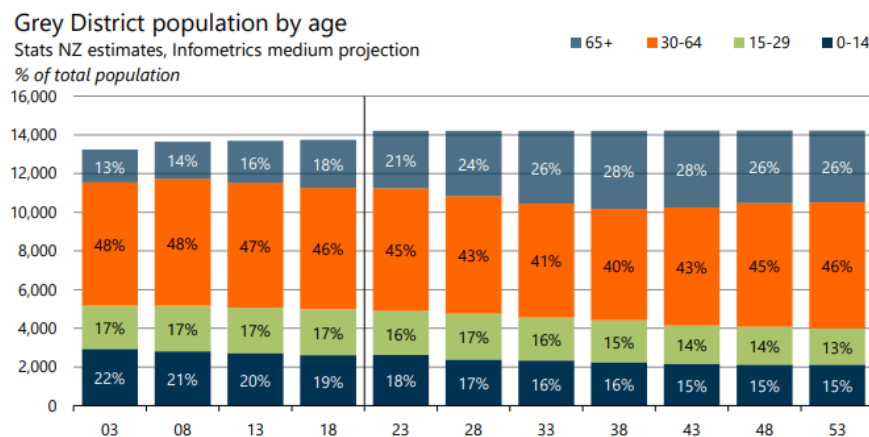
**Figure 2: Grey District Population**



## Population by age group

Grey District maintains an aging population with the 65+ age group the fastest growing over the past two decades, growing 2.6% on average between 2003 and 2018. It is projected to grow 2.4% per annum between 2023 and 2033 under the medium scenario growth rate (rising from an estimated 2,970 to 3,758). This 65+ age group growth is expected to flatten after 2033.

**Figure 3: Grey District Population by age**



The population under the age of 65 is expected to ease overall with:

- 0 – 14 year-old age group easing from 2,617 in 2023 to 2,119 in 2053
- 15 – 29 year-old population easing from 2,271 in 2023 to 1,870 in 2053, and
- 30 – 64 year-old population increasing slightly from 6,350 in 2023 to 6,526.

The data shows the trend towards a continuation of an aging population in the Grey District.

## Economy

The West Coast has traditionally been a gold and coal mining area, but as those industries have declined agriculture, particularly dairy, has grown. Alongside this tourism

has experienced significant growth contributing to an increase in hospitality and accommodation along with it.

Employment dipped from 7,600 in 2020 to 7,500 in 2021 during the pandemic however employment is expected to lift from 7,700 in 2022 to 8,500 by 2034 (Figure 5).

Grey's GDP fell 1.0% per annum between 2020 and 2021 during the pandemic, recovering to \$952m in 2022. GDP is expected to reach \$1,130m by 2034, with a small decline in growth between 2023 and 2024 as the country undergoes a minor recession. Between 2034 and 2054, economic growth is expected to accelerate slightly, with Grey's annual GDP totalling \$1,591 by 2054.

Grey's average household size is projected to ease from 2.33 persons per household in 2022 to 2.3 persons from the 2030s. This declining average household size means that the number of households in Grey is projected to grow very slightly faster than the population.

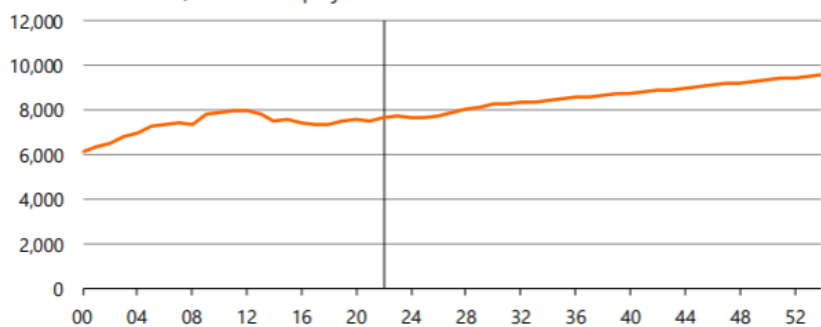
The number of households is estimated to rise from 5,794 in 2022 to around 5,900 by 2054 under the medium scenario. In the high scenario, the number of households grows by an average of 22 per year between 2022 and 2054. Under the low scenario, households peak at 5,840 in the early 2030's, and ease to 5,430 by 2054.

There were an estimated 6,640 dwellings in 2022 which are expected to reach 6,939 in 2034 and grow slowly to 6,970 by 2054 under the medium growth scenario. In the low scenario, dwellings are expected to reach 6,900 in the mid 2030's and hold at around this level for the remainder of the forecast period. In the high scenario, dwellings are projected to grow strongly to 7,139 in 2034 and reach 7,381 by 2054.

**Graph 1**

### Grey District Employment

Stats NZ estimates, Infometrics projection



Affordable housing is important for people's wellbeing to ensure housing costs relative to income do not leave households unable to afford basic needs such as food, clothing,



transport, medical care and education. In Grey District the average house value was 3.9 times its average household income in 2022. For the whole of New Zealand, houses were 9.0 times the average household income which makes Grey District's housing affordability high despite the house value to income ratio of 3.9 being the maximum compared to the minimum (most affordable house value to income ratio of 2.7 in 2019).

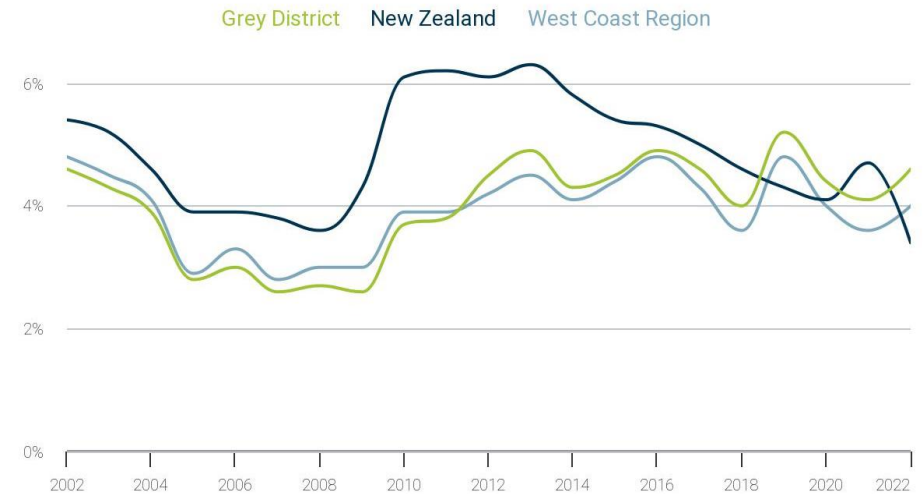
House values in Greymouth have increased over the past few years. In December 2024, the average house value in Grey District rose by 25.2% compared to the previous year. In contrast, the national house value growth was -2%, and it was 11.3% for the West Coast region.

**Figure 6. House values relative to average household income for the Grey District compared to New Zealand.**



In 2022, the Grey District had an unemployment rate of 4.6% compared to the West Coast region's rate of 4.0%. New Zealand had an unemployment rate of 3.4%. The Grey District's unemployment has increased from a low of 2.6% in 2009 to 5.2% in 2019 (Figure 7).

**Figure 7. Unemployment Rates**



## Mining

Mining is the key industry where the West Coast Region shows a strong comparative advantage. The West Coast has a range of existing and potential mining projects, which includes projects recently consented near Westport, or working through the consent process north of Greymouth.

Under the current government, the mining sector has seen an increasing interest. The Government's new Minerals Strategy and Critical Minerals List, aims to boost the economy by doubling exports to \$3 billion by 2035. The strategy focuses on reducing regulatory barriers, increasing domestic resilience by utilizing local mineral resources, and supporting the transition to diverse energy sources. It also addresses challenges posed by corporate policies and emphasizes the importance of accurate mineral resource management. Mining generated 8.4% of the West Coast region's GDP in 2023.

In early 2024, a number of mining consent applications have been submitted within the West Coast including a renewed application (since approved) for a mineral sands mine north of Greymouth and a mineral sand mining application near Westport. If the mining sector sees an increase in activity along the West Coast, it may provide additional population growth that hasn't been forecasted above and will need to be considered when planning for infrastructure delivery.



## Tourism and visitor growth

For the year to March 2023, the tourism sector contributed \$26.2m towards GDP in the Grey District<sup>1</sup>. This amounted to 2.3% of Grey District's economic output in 2023 as compared to 0.8% in 2000 (Figure 4).

Tourism has long been a significant contributor to the economy of the Grey District<sup>2</sup>:

**Figure 8. Grey District Tourism Sector GDP Proportion of Total GDP**



## Overview of Infrastructure Assets

Council manages a diverse infrastructure portfolio with a total replacement value exceeding \$900 million. These assets provide essential services across various sectors, contributing to the district's economic, social, cultural, and environmental wellbeing.

The table below summarises the key asset values and quantities for each activity area:

| Activity Area                     | Replacement Value (\$M) | Asset Quantity and Key Components                                                   |
|-----------------------------------|-------------------------|-------------------------------------------------------------------------------------|
| <b>Three Waters</b>               | 408.3                   |                                                                                     |
| - Water Supply                    | 106.56                  | 226.4 km pipelines, 16 reservoirs, 15 pump stations, 2 treatment plants             |
| - Wastewater                      | 156.1                   | 183.2 km pipelines, 6 treatment plants, 39 pump stations                            |
| - Stormwater                      | 145.6                   | 134 km pipelines, 7 pumping stations, open drains                                   |
| <b>Transportation</b>             | 372.8                   | 648 km roads (62% sealed), 106.8 km footpaths, 209 bridges, streetlights            |
| <b>Community &amp; Recreation</b> | 78.2                    | Libraries, recreation centres, 12 parks, 4 cemeteries, 45 playgrounds               |
| <b>Commercial &amp; Property</b>  | 47.6                    | 118 retirement housing units, 9 council buildings, Greymouth Aerodrome, Port assets |
| <b>Total*</b>                     | <b>906.9</b>            |                                                                                     |

\*Total excludes Refuse & Recycling activity area asset replacement value, as this portfolio is not currently valued by Council.

## Asset Overview by Activity

### Three Waters

- Water Supply: Serves over 5,200 connections, supplying 2.6 billion litres of treated water annually. Infrastructure includes 226.4 km of pipelines, 16 reservoirs, 15 pump stations, and two major treatment plants.

<sup>1</sup> Infometrics, Grey District Economic Profile, <https://rep.infometrics.co.nz/grey-district/tourism/tourism-gdp?compare=new-zealand>

<sup>2</sup> Infometrics - Grey District Economic Profile

- Wastewater: Six community schemes serving approximately 5,500 properties. Assets include 183.2 km of pipelines, six treatment plants, and 39 pump stations. Key issues include aged networks with infiltration and capacity constraints.
- Stormwater: Comprises 134 km of pipelines, 7 pump stations, and open drainage systems servicing flood-prone urban areas. Significant portions of the network are over 50 years old, particularly in Greymouth, Blaketown, and Cobden.

### Transportation

- 648 km of roads (402 km sealed, 246 km unsealed), 106.8 km of footpaths, and 209 bridges.
- Critical lifeline routes are vital for economic activity, emergency response, and community connectivity.

### Community and Recreation

- Includes parks, reserves, walking tracks, Grey District library, Westland Recreation Centre, cemeteries and 45 playgrounds.

### Commercial and Property

- Assets include retirement housing (118 units), the Port of Greymouth, Greymouth Aerodrome, provision of parking and land leasehold portfolio consisting of 50 residential leases and 35 commercial leases.

### Refuse and Recycling

- Assets include McLean's Landfill and Recycling Centre, three resource recovery centres (Blackball, Moana, and Nelson Creek), kerbside collection infrastructure, public litter bins, and associated site facilities.
- Resource recovery centres provide waste drop-off and recycling services to rural communities, supporting waste minimisation and landfill diversion targets.
- Infrastructure includes weighbridges, site offices, buildings and leachate treatment systems, which require upgrades to improve operational efficiency and meet environmental compliance.

## The policy context

There are a number of national policies, plans and legislation that set the scene for Council's 30-year Infrastructure Strategy. Change is constant, and council regularly reviews the regulatory environment that influences future requirements and opportunities for delivering infrastructure services.

## National Direction

### Community Well-beings

The Local Government (Community Well-being) Amendment Act was adopted in May 2019. This provides for local authorities to play a broad role in promoting the social, economic, environmental, and cultural well-being of their communities, taking a sustainable development approach.

Note that in 2024, Central Government indicated they intend to remove community wellbeing's from legislation. There is no indication that this will impact Council's commitment to its current community outcomes, or delivery of core infrastructure services.

### Three Waters

The national three waters policy landscape has been evolving since 2020. Following the recent repeal of the previous Three Waters Reform Programme, the Government has commenced further changes to the sector through its Local Water Done Well policy framework.

Under Local Water Done Well, the newly enacted Local Government (Water Services Preliminary Arrangements) Act 2024 establishes legislative requirements for the water services system. The Act requires Territorial Authorities to prepare, either individually or with other Councils, Water Services Delivery Plans by 3 September 2025. These plans must:

- Explain the current state of Grey's water services;
- Demonstrate a commitment to deliver water services in a way that ensures compliance with all regulatory quality standards; is financially sustainable; and supports growth;
- Explain the model or arrangements for delivering water services;
- Ensure revenue from water services is ring-fenced from Grey's other functions and activities;
- Include an implementation plan;
- Cover a period of not less than 10 consecutive financial years starting from 2024/25.
- The latest Local Government (Water Services) Bill (December 2024) ("The Bill") provides for:
- Arrangements for the new water services delivery system.
- A new economic regulation and consumer protection regime for water services; and
- Changes to the water quality regulatory framework and the water services regulator.

Under the new economic regulation regime for water services, the Commerce Commission will have a range of regulatory options, including:

- Information disclosure regulation;
- Revenue threshold regulation;
- Quality regulation;
- Performance requirement regulation;
- Price-quality regulation.

The Commission will also enforce a new 'ring-fencing' rule, under which regulated suppliers will be required to spend the revenue they receive from providing water services on providing those services.

The Bill amends the Water Services Act and the Resource Management Act to provide for a single standard for wastewater and stormwater environmental performance. This will ensure regional councils implement a single approach to resource consents, with a mechanism for exceptions. Regional councils will be unable to set additional requirements either higher or lower than the standard.

The Bill introduces a mechanism for establishing mandatory national engineering design standards to ensure consistent standards for the design and construction of water network infrastructure.

In addition to Local Water Done Well, it is anticipated that the following legislation and regulation will remain in place for the foreseeable future and continue to influence Council's three waters investment:

#### **Water Services Act 2021**

This sets out the regulatory framework to ensure drinking water suppliers (including Grey's) provide safe drinking water to consumers. Under the Act, Council has responsibilities for ensuring drinking water meets established standards, for developing and implementing drinking water safety plans, and identifying and managing risks to source water. It also provides Taumata Arowai with the regulatory tools to enforce consequences on water suppliers who do not satisfy their duty to provide safe drinking water. The Local Government (Water Services) Bill includes changes to the Water Services Act 2021 to reduce the regulatory burden of the drinking water quality regime and improve proportionality in the application of regulatory powers.

#### **National Policy Statement for Freshwater Management 2020 (NPS-FM)**

This provides Council with direction on how to manage freshwater under the Resource Management Act 1991 (RMA). It places emphasis on Te Mana o te Wai – working with mana whenua and prioritising the health and wellbeing of water bodies over the use of water bodies.

While currently still in effect, as at the time of drafting this document, the Local Government (Water Services) Bill repeals the requirements in water services legislation to give effect to Te Mana o te Wai, and Government has signalled its intention to replace the NPS-FM.

#### **Roading**

The Government Policy Statement on Land Transport 2024 (GPS) was published on June 27, 2024. It reflects the transport priorities of the newly elected government and will guide investments from the National Land Transport Fund over the next decade.

The GPS focuses on four strategic priorities, which shape the delivery of its goals:

- Economic Growth and Productivity (Overarching Strategic Priority)
- Increased Maintenance and Resilience
- Safety
- Value for Money

While Economic Growth and Productivity serves as the overarching strategic priority, the other three—Increased Maintenance and Resilience, Safety, and Value for Money—are equally weighted. Together, these priorities aim to deliver a transport system that supports economic growth and productivity.

# Key Challenges and Future Trends

Council faces a range of significant infrastructure challenges that require a balanced, sustainable approach to ensure the long-term wellbeing of the community. These challenges stem from aging infrastructure, financial constraints, regulatory changes, and the increasing impacts of climate change. The below section outlines the key issues and future challenges the Council must address over the duration of this Infrastructure Strategy.

| Priority | Description                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>A</b> | <ul style="list-style-type: none"> <li>Will result in decreased levels of service (immediately and the future), and/or</li> <li>Will cause future financial issues that will be difficult to address by future Councils, and/or</li> <li>Council will fail to meet legislative requirements that put Council at financial/other risks, and/or</li> <li>Presents an immediate health and safety risk.</li> </ul>      |
| <b>B</b> | <ul style="list-style-type: none"> <li>Decrease in levels of service (maybe not short-term but in the future), and/or</li> <li>Will create future financial challenges that will need to be addressed by future Council, and/or</li> <li>Council may fail from time to time to meet legislative requirements/other standards.</li> </ul>                                                                             |
| <b>C</b> | <ul style="list-style-type: none"> <li>Increased levels of service above current levels provided at additional cost, and/or</li> <li>No immediate/long-term effects on current levels of service or financial sustainability of Council if projects do not proceed, and/or</li> <li>Involves activities/services that aren't a part of Council's core infrastructure/regulatory functions/local services.</li> </ul> |
| <b>D</b> | <ul style="list-style-type: none"> <li>Doesn't fit purpose of local government, and/or</li> <li>Doesn't contribute to strategic direction of Council, and/or</li> <li>Involves Council in new services/activities, and/or</li> <li>Business case demonstrates a negative return.</li> </ul>                                                                                                                          |

## Process and Prioritisation Approach

In October 2024, Council initiated the development of an operational expenditure (opex) and capital expenditure (capex) programme across all activities. The goal was to understand the asset management needs to meet service levels, legal requirements, and proper asset management practices.

An initial budget was developed to address maintenance and renewal needs, including the significant backlog of works. However, historical decisions to keep rates artificially low over the past 10-20 years limited financial capacity to deliver. The initial budget focused on essential operations and renewals, with limited enhancements to levels of service beyond regulatory compliance.

During a February 2025 workshop, elected members deemed the proposed substantial increase in Year 1 expenditure unsustainable and unaffordable for ratepayers. As a result, an optimised budget was created through a structured prioritisation process. Projects were categorised into four priority levels:

Throughout the development of Asset Management Plans (AMPs), Council preserved the original prioritised programme to reflect best practice asset management. This approach ensures transparency regarding the true cost of meeting service levels – facilitating informed decision-making in future planning cycles.

## Asset Condition and Deferred Renewals

Council's core infrastructure assets, including water services, transport networks, community facilities, and council-owned properties, have varying levels of deferred maintenance and renewals.

It is important to recognise that previous councils have made significant investments in Council-owned assets, particularly with the Greymouth reservoir upgrades (Puketahi St) and the construction of the modern water treatment plant (Coal Creek). However, over the years, financial constraints stemming from artificially low rates and increased costs for maintaining and renewing assets, along with competing priorities have led to assets being 'sweated' (used beyond their intended service life) which has resulted in increased risks of unexpected failures, emergency repairs, and potential safety hazards for the community. The reactive maintenance approach necessitated by this situation incurs higher costs, diverts resources from planned renewals, and reduces the overall efficiency of service delivery.

Long-term underinvestment, particularly in three waters infrastructure, has compounded the problem. The Council must navigate the challenge of addressing this significant backlog in a financially sustainable manner while maintaining essential services. The issues are particularly pronounced in the water supply network, where aging pipes and

a high leakage rate place additional strain on operational budgets and compromise service reliability.

## Key Asset Condition and Deferred Renewals Issues

### Water Supply

The Council has identified an estimated \$30.3 million backlog of deferred renewals within the water supply network. This backlog presents several pressing issues:

- **Aging Infrastructure:** Many pipes within the network have exceeded their expected useful lives, leading to a high frequency of breakages. These breakages not only disrupt supply to households and businesses but also incur substantial repair costs.
- **Leakage Rates:** It is estimated that up to 70% of the water supply is lost due to leakage. This represents a significant wastage of resources, drives up operational costs, and increases demand on water treatment plants.
- **Capacity Constraints:** The combination of leakage and aging infrastructure has led to demand pressures on treatment plants and reservoirs, which are operating near or at capacity. This situation compromises water security and risks service interruptions, particularly during peak usage periods or emergency events.

### Wastewater

With an estimated \$2.3 million backlog, the wastewater network, though having the smallest backlog among the three waters, faces its own set of challenges:

- **Frequent Blockages and Overflows:** Aging pipes contribute to blockages, which in turn cause untreated wastewater discharges. Such incidents pose environmental and public health risks and often necessitate costly emergency repairs.
- **Consent Compliance:** Several wastewater schemes operate under consents that have expired but remain lawful under temporary provisions. Renewing these consents will require significant capital investment to upgrade treatment plants and separate stormwater systems.

### Stormwater

The Stormwater activity has the second largest backlog of deferred renewals among the three waters activities of around \$27.6 million. Key issues include:

- **Aging infrastructure:** Ageing infrastructure increases the risk of collapse or blockage due to displaced joints, with some materials exceeding their service life, especially in saline groundwater. Notably, 65% of the network consists of pipes 300 mm or smaller in diameter. This is an increasing concern due to the

mature age of assets in communities where most of the stormwater infrastructure exists: Cobden (average pipe age – 63 years), Blaketown (average pipe age – 70 years), Greymouth (average pipe age – 50 years). These three areas comprise 68% of the length of the stormwater network.

### Transportation

Engineering investigations conducted in 2023/24 identified a \$6.1 million backlog in bridge maintenance and renewals. Of this, \$2.9 million has been classified as urgent, requiring immediate attention to ensure continued access and safety.

Council has generally maintained a good condition of its footpaths. Over the past three years, GDC has been focusing on improving footpath condition and addressing a growing backlog, the uplift was to increase the quantity of footpath renewals to address identified issues and respond to community feedback.

Likewise, sealed pavements have been performing well in Grey. Over the last triennium, Council had outperformed on levels of service for percentage of roads which meet smooth roads standard, scoring 91% with a set target of 90%.

- **Bridge Condition:** GDC have historically underinvested in bridge and structure maintenance and renewals, which has created a backlog of works and there has been a push for the last 3-6 years to grow the scale of this programme to be more proactive. Many of the district's bridges are aging, and some are unable to support modern heavy vehicle loads. Failure to address these issues could lead to accessibility challenges, particularly in remote areas. Furthermore, there are economic impacts of the bridge condition issues in the Grey District, affecting transportation efficiency, accessibility, and economic productivity.
- **Footpaths:** Council has been increasingly investing in footpath maintenance and renewal over the last 3-6 years, however following a change in central government priorities this investment is no longer receiving the anticipated level of NZ Transport Agency funding assistance. If Council does not fund this shortfall, or find an alternative source of funding, a backlog of maintenance and renewals will result and condition will worsen.

### Commercial and Property Assets

Council's portfolio of commercial and residential properties, including its retirement housing, faces substantial deferred maintenance challenges:

- **Retirement Housing:** Council owns 118 units across 14 complexes, most of which were built between 1958 and 1989. Deferred maintenance has resulted in declining living conditions for tenants, necessitating urgent remedial works.

- **Seismic Compliance:** Several Council-owned commercial properties require seismic strengthening. The cost of meeting compliance standards is significant, with some buildings sitting untenanted due to safety concerns.
- **Port and Aerodrome operating at a loss:** The high costs associated with maintaining and upgrading the aging infrastructure, coupled with low user fees, result in The Greymouth Aerodrome and Port of Greymouth both operating at a loss. As a result, a large proportion of rates is required to fund the maintenance and renewals of these assets.

### Community and Recreation Facilities

Major community assets, such as the Grey District Swimming Pool and the Westland Recreation Centre, have high maintenance and renewal requirements:

- **Facility Sustainability:** The costs associated with maintaining these facilities are substantial. Delayed renewals increase the risk of asset failure, which could lead to temporary closures and disrupt community services.

### Refuse and Recycling

While the refuse and recycling infrastructure is generally functional, several assets require upgrades or replacement due to aging infrastructure and deferred renewals. Key issues include:

- **Landfill Cells:** While not a direct issue, Council needs to continue to plan for future landfill cell construction in order to maintain the same level of service. Council proceeded with the construction of cell 3B back in 2024/2025. Cell lives have an expected life of around nine years and so a new additional cell will need to be constructed towards the end of this LTP.
- **Landfill consents:** The main consent for the landfill site is due to expire towards the end of the LTP. Additional resource consents will be required, either for the ongoing operation of the landfill or if the site is decommissioned, for care and maintenance.
- **Weighbridge and Site Facilities:** The current weighbridge and site amenities are outdated, impacting operational efficiency and safety.
- **Kerbside Collection Infrastructure:** Aging wheelie bins and collection vehicles will require phased replacement to maintain service levels.
- **Residual Waste found in recycling:** Level of residual waste in the recycling is higher than expected (from the public). Need to put out messaging about what can go into recycling. Limits what can be done with recycling with the additional waste in there.

### How will we address this?

Council has made a commitment to addressing the backlog of renewals across all activities. However, this will be a long-term journey to ensure the increased cost is

introduced in a sustainable way. For most activities, this means that in the early years of the Long-Term Plan (LTP), there will continue to be deferral of maintenance and renewals.

Three waters have been prioritised, with continually increasing funding to address the backlog while simultaneously carrying out the business-as-usual programme and building reserves. This is a high-cost journey and is a result of historic underfunding of water services and infrastructure.



| Activity        | Approach to address asset condition issues                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |                 |       |                 |        |                 |        |                 |        |
|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|-------------|---------|-------|---------|-------|---------|-------|---------|-------|---------|-------|---------|-------|---------|-------|---------|-------|---------|-------|---------|-------|-----------------|-------|-----------------|--------|-----------------|--------|-----------------|--------|
| Water supply    | <ul style="list-style-type: none"> <li>Three waters has been prioritised, with a continually increasing funding to address the backlog. However, despite this it is still expected to take the full 30-year period of this Strategy to do so. This will require multiple assets to substantially exceed their expected useful lives. In reality it will not be practical for all assets to be pushed this long, and Council will expect failures</li> <li>A 'reactive' maintenance fund is proposed to account for the expected failures because of the long period to address the backlog. The purpose of this fund is to ensure that planned works are not deferred as money is needed to address a failure, as has been happening recently.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                  |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |                 |       |                 |        |                 |        |                 |        |
| Wastewater      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |                 |       |                 |        |                 |        |                 |        |
| Stormwater      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |                 |       |                 |        |                 |        |                 |        |
|                 | <p>3 Waters Renewals Expenditure (Inflated \$)</p> <table border="1"> <caption>3 Waters Renewals Expenditure (Inflated \$)</caption> <thead> <tr> <th>Year</th> <th>Cost \$'000</th> </tr> </thead> <tbody> <tr><td>2025/26</td><td>4,000</td></tr> <tr><td>2026/27</td><td>4,000</td></tr> <tr><td>2027/28</td><td>5,000</td></tr> <tr><td>2028/29</td><td>5,000</td></tr> <tr><td>2029/30</td><td>7,000</td></tr> <tr><td>2030/31</td><td>8,000</td></tr> <tr><td>2031/32</td><td>8,000</td></tr> <tr><td>2032/33</td><td>8,000</td></tr> <tr><td>2033/34</td><td>8,000</td></tr> <tr><td>2034/35</td><td>7,000</td></tr> <tr><td>Av. 2036 - 2040</td><td>8,000</td></tr> <tr><td>Av. 2041 - 2045</td><td>10,000</td></tr> <tr><td>Av. 2046 - 2050</td><td>12,000</td></tr> <tr><td>Av. 2051 - 2055</td><td>15,000</td></tr> </tbody> </table> <p>■ Renewals</p>                                                                                                                                                                                                                                                                                                                         | Year | Cost \$'000 | 2025/26 | 4,000 | 2026/27 | 4,000 | 2027/28 | 5,000 | 2028/29 | 5,000 | 2029/30 | 7,000 | 2030/31 | 8,000 | 2031/32 | 8,000 | 2032/33 | 8,000 | 2033/34 | 8,000 | 2034/35 | 7,000 | Av. 2036 - 2040 | 8,000 | Av. 2041 - 2045 | 10,000 | Av. 2046 - 2050 | 12,000 | Av. 2051 - 2055 | 15,000 |
| Year            | Cost \$'000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |                 |       |                 |        |                 |        |                 |        |
| 2025/26         | 4,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |                 |       |                 |        |                 |        |                 |        |
| 2026/27         | 4,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |                 |       |                 |        |                 |        |                 |        |
| 2027/28         | 5,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |                 |       |                 |        |                 |        |                 |        |
| 2028/29         | 5,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |                 |       |                 |        |                 |        |                 |        |
| 2029/30         | 7,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |                 |       |                 |        |                 |        |                 |        |
| 2030/31         | 8,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |                 |       |                 |        |                 |        |                 |        |
| 2031/32         | 8,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |                 |       |                 |        |                 |        |                 |        |
| 2032/33         | 8,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |                 |       |                 |        |                 |        |                 |        |
| 2033/34         | 8,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |                 |       |                 |        |                 |        |                 |        |
| 2034/35         | 7,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |                 |       |                 |        |                 |        |                 |        |
| Av. 2036 - 2040 | 8,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |                 |       |                 |        |                 |        |                 |        |
| Av. 2041 - 2045 | 10,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |                 |       |                 |        |                 |        |                 |        |
| Av. 2046 - 2050 | 12,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |                 |       |                 |        |                 |        |                 |        |
| Av. 2051 - 2055 | 15,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |                 |       |                 |        |                 |        |                 |        |
| Transportation  | <ul style="list-style-type: none"> <li>Council has received a substantial increase in funding for bridge maintenance and renewals through the NZ Transport Agency approved National Land Transport Programme. This will ensure that the most urgent items identified through inspections can be addressed. Council will continue to work with its engineering advisors to prioritise the bridge programme, as current funding is still below the full amount recommended to address the backlog within five years, so a more progressive approach that does not compromise safety will be required.</li> <li>It is unlikely at this level of funding that Council's targets for heavy vehicle (Class 1, HPMV, and 50MAX) will be achieved. Council will consider what is an appropriate level of service on a bridge-by-bridge basis. It is likely that multiple remote bridges servicing low vehicle volumes and properties will not be maintained to their current state into the future, and in some cases, bridges may be removed in favour of alternate access altogether. This work will be completed as part of the 2027 Transportation AMP for the next Long Term Plan.</li> </ul> |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |                 |       |                 |        |                 |        |                 |        |

| Activity                                  | Approach to address asset condition issues                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |             |       |                 |       |                 |       |                 |       |
|-------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|-------------|---------|-------|---------|-------|---------|-------|---------|-------|---------|-------|---------|-------|---------|-------|---------|-------|---------|-------|---------|-------|-------------|-------|-----------------|-------|-----------------|-------|-----------------|-------|
|                                           | <ul style="list-style-type: none"> <li>In addition, Council previously received substantial funding from the Provincial Growth Fund to replace several major structures across the district: William Stewart Bridge, Moonlight Bridge, and Rough River Bridge. These structures were unaffordable for Council to replace, even with subsidy from NZ Transport Agency. Replacement to modern design standards has made a substantial improvement to future cost of bridge maintenance and renewals.</li> <li>Council is providing an additional \$250k/annum for footpaths, in addition to the approved National Land Transport Programme. This amount effectively matches the previous 2021-24 investment in footpaths and is expected to enable Council to maintain current levels of service through prioritised maintenance and renewals.</li> </ul> <div data-bbox="353 438 1384 906"> <p style="text-align: center;"><b>Roading Renewals Expenditure (Inflated \$)</b></p> <table border="1"> <caption>Roading Renewals Expenditure (Inflated \$)</caption> <thead> <tr> <th>Year</th> <th>Cost \$'000</th> </tr> </thead> <tbody> <tr><td>2025/26</td><td>4,000</td></tr> <tr><td>2026/27</td><td>4,200</td></tr> <tr><td>2027/28</td><td>4,400</td></tr> <tr><td>2028/29</td><td>4,600</td></tr> <tr><td>2029/30</td><td>4,800</td></tr> <tr><td>2030/31</td><td>5,000</td></tr> <tr><td>2031/32</td><td>5,200</td></tr> <tr><td>2032/33</td><td>5,400</td></tr> <tr><td>2033/34</td><td>5,600</td></tr> <tr><td>2034/35</td><td>5,800</td></tr> <tr><td>2036 - 2040</td><td>6,000</td></tr> <tr><td>Av. 2041 - 2045</td><td>6,500</td></tr> <tr><td>Av. 2046 - 2050</td><td>7,000</td></tr> <tr><td>Av. 2051 - 2055</td><td>8,000</td></tr> </tbody> </table> <p style="text-align: center;">■ Renewals</p> </div> | Year | Cost \$'000 | 2025/26 | 4,000 | 2026/27 | 4,200 | 2027/28 | 4,400 | 2028/29 | 4,600 | 2029/30 | 4,800 | 2030/31 | 5,000 | 2031/32 | 5,200 | 2032/33 | 5,400 | 2033/34 | 5,600 | 2034/35 | 5,800 | 2036 - 2040 | 6,000 | Av. 2041 - 2045 | 6,500 | Av. 2046 - 2050 | 7,000 | Av. 2051 - 2055 | 8,000 |
| Year                                      | Cost \$'000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |             |       |                 |       |                 |       |                 |       |
| 2025/26                                   | 4,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |             |       |                 |       |                 |       |                 |       |
| 2026/27                                   | 4,200                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |             |       |                 |       |                 |       |                 |       |
| 2027/28                                   | 4,400                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |             |       |                 |       |                 |       |                 |       |
| 2028/29                                   | 4,600                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |             |       |                 |       |                 |       |                 |       |
| 2029/30                                   | 4,800                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |             |       |                 |       |                 |       |                 |       |
| 2030/31                                   | 5,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |             |       |                 |       |                 |       |                 |       |
| 2031/32                                   | 5,200                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |             |       |                 |       |                 |       |                 |       |
| 2032/33                                   | 5,400                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |             |       |                 |       |                 |       |                 |       |
| 2033/34                                   | 5,600                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |             |       |                 |       |                 |       |                 |       |
| 2034/35                                   | 5,800                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |             |       |                 |       |                 |       |                 |       |
| 2036 - 2040                               | 6,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |             |       |                 |       |                 |       |                 |       |
| Av. 2041 - 2045                           | 6,500                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |             |       |                 |       |                 |       |                 |       |
| Av. 2046 - 2050                           | 7,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |             |       |                 |       |                 |       |                 |       |
| Av. 2051 - 2055                           | 8,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |             |       |                 |       |                 |       |                 |       |
| Commercial & Property: Retirement Housing | <ul style="list-style-type: none"> <li>Council has prioritised maintenance and renewal of retirement housing based on asset condition assessments, there will be a focus on the most critical components with high asset failure and safety risks.</li> <li>It is likely there will continue to be deferred renewals of retirement housing for lower risk components to manage costs, instead preferring reactive maintenance as issues arise.</li> <li>Council has opted to sell both History House and the Harbour Board Buildings, to avoid costly investment in seismic strengthening. Disposal of these buildings will mean these forward budgets can be reallocated to other high priority activities.</li> <li>Council will develop a Commercial Property portfolio to explore the future of Retirement Housing. This initiative will reassess Council's role in owning retirement housing portfolio, and explore options such as rationalising the portfolio, transferring ownership to a Trust, or divestment, or others.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |      |             |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |         |       |             |       |                 |       |                 |       |                 |       |



| Activity               | Approach to address asset condition issues                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
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|                        | <div data-bbox="416 237 1395 759"> <p><b>Commercial and Property Renewals Expenditure (Inflated \$)</b></p> <table border="1"> <caption>Commercial and Property Renewals Expenditure (Inflated \$)</caption> <thead> <tr> <th>Year/Period</th> <th>Cost (\$'000)</th> </tr> </thead> <tbody> <tr><td>2025/26</td><td>650</td></tr> <tr><td>2026/27</td><td>550</td></tr> <tr><td>2027/28</td><td>700</td></tr> <tr><td>2028/29</td><td>950</td></tr> <tr><td>2029/30</td><td>450</td></tr> <tr><td>2030/31</td><td>350</td></tr> <tr><td>2031/32</td><td>350</td></tr> <tr><td>2032/33</td><td>350</td></tr> <tr><td>2033/34</td><td>350</td></tr> <tr><td>2034/35</td><td>350</td></tr> <tr><td>Av. 2036 - 2040</td><td>350</td></tr> <tr><td>Av. 2041 - 2045</td><td>350</td></tr> <tr><td>Av. 2046 - 2050</td><td>400</td></tr> <tr><td>Av. 2051 - 2055</td><td>400</td></tr> </tbody> </table> <p>■ Renewals</p> </div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Year/Period | Cost (\$'000) | 2025/26 | 650 | 2026/27 | 550 | 2027/28 | 700 | 2028/29 | 950 | 2029/30 | 450 | 2030/31 | 350 | 2031/32 | 350   | 2032/33 | 350 | 2033/34 | 350 | 2034/35 | 350 | Av. 2036 - 2040 | 350 | Av. 2041 - 2045 | 350 | Av. 2046 - 2050 | 400 | Av. 2051 - 2055 | 400 |
| Year/Period            | Cost (\$'000)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| 2025/26                | 650                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| 2026/27                | 550                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| 2027/28                | 700                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| 2028/29                | 950                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| 2029/30                | 450                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| 2030/31                | 350                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| 2031/32                | 350                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| 2032/33                | 350                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| 2033/34                | 350                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| 2034/35                | 350                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| Av. 2036 - 2040        | 350                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| Av. 2041 - 2045        | 350                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| Av. 2046 - 2050        | 400                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| Av. 2051 - 2055        | 400                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| Community & Recreation | <ul style="list-style-type: none"> <li>• Council will focus on renewing critical assets that pose the highest risk of failure or safety concern. This will ensure the continued provision of safe and well-maintained facilities.</li> <li>• At major community assets such as Grey District Pool and Westland Recreation Centre proactive maintenance and renewal will be prioritised where affordable to ensure a more cost-effective whole-of-life approach is taken, and to avoid costly reactive maintenance and potential failures leading to temporary closures.</li> </ul> <div data-bbox="349 919 1352 1406"> <p><b>Community and Recreation Renewals Expenditure (Inflated \$)</b></p> <table border="1"> <caption>Community and Recreation Renewals Expenditure (Inflated \$)</caption> <thead> <tr> <th>Year/Period</th> <th>Cost (\$'000)</th> </tr> </thead> <tbody> <tr><td>2025/26</td><td>200</td></tr> <tr><td>2026/27</td><td>800</td></tr> <tr><td>2027/28</td><td>400</td></tr> <tr><td>2028/29</td><td>350</td></tr> <tr><td>2029/30</td><td>500</td></tr> <tr><td>2030/31</td><td>300</td></tr> <tr><td>2031/32</td><td>1,700</td></tr> <tr><td>2032/33</td><td>300</td></tr> <tr><td>2033/34</td><td>350</td></tr> <tr><td>2034/35</td><td>350</td></tr> <tr><td>Av. 2036 - ...</td><td>400</td></tr> <tr><td>Av. 2041 - ...</td><td>500</td></tr> <tr><td>Av. 2046 - ...</td><td>600</td></tr> <tr><td>Av. 2051 - ...</td><td>700</td></tr> </tbody> </table> <p>■ Renewals</p> </div> | Year/Period | Cost (\$'000) | 2025/26 | 200 | 2026/27 | 800 | 2027/28 | 400 | 2028/29 | 350 | 2029/30 | 500 | 2030/31 | 300 | 2031/32 | 1,700 | 2032/33 | 300 | 2033/34 | 350 | 2034/35 | 350 | Av. 2036 - ...  | 400 | Av. 2041 - ...  | 500 | Av. 2046 - ...  | 600 | Av. 2051 - ...  | 700 |
| Year/Period            | Cost (\$'000)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| 2025/26                | 200                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| 2026/27                | 800                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| 2027/28                | 400                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| 2028/29                | 350                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| 2029/30                | 500                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| 2030/31                | 300                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| 2031/32                | 1,700                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| 2032/33                | 300                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| 2033/34                | 350                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| 2034/35                | 350                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| Av. 2036 - ...         | 400                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| Av. 2041 - ...         | 500                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| Av. 2046 - ...         | 600                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |
| Av. 2051 - ...         | 700                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |               |         |     |         |     |         |     |         |     |         |     |         |     |         |       |         |     |         |     |         |     |                 |     |                 |     |                 |     |                 |     |

| Activity             | Approach to address asset condition issues                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |      |                       |         |     |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |                 |    |                 |     |                 |     |                 |     |
|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|-----------------------|---------|-----|---------|----|---------|----|---------|----|---------|----|---------|----|---------|----|---------|----|---------|----|---------|----|-----------------|----|-----------------|-----|-----------------|-----|-----------------|-----|
| Refuse and Recycling | <ul style="list-style-type: none"> <li>Compared to other activities, refuse and recycling has minor capital renewals required over the course of this LTP. The McLean's Pitt weight bridge is expected to be completed in 2025/26.</li> <li>Minor replacements are budgeted for McLean's Pit throughout the remainder of the LTP.</li> </ul> <div data-bbox="353 352 1384 890"> <p>Refuse and Recycling Renewals Expenditure (Inflated \$)</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Renewals (Cost \$000)</th> </tr> </thead> <tbody> <tr><td>2025/26</td><td>400</td></tr> <tr><td>2026/27</td><td>50</td></tr> <tr><td>2027/28</td><td>50</td></tr> <tr><td>2028/29</td><td>50</td></tr> <tr><td>2029/30</td><td>50</td></tr> <tr><td>2030/31</td><td>50</td></tr> <tr><td>2031/32</td><td>50</td></tr> <tr><td>2032/33</td><td>50</td></tr> <tr><td>2033/34</td><td>50</td></tr> <tr><td>2034/35</td><td>50</td></tr> <tr><td>Av. 2036 - 2040</td><td>80</td></tr> <tr><td>Av. 2041 - 2045</td><td>100</td></tr> <tr><td>Av. 2046 - 2050</td><td>120</td></tr> <tr><td>Av. 2051 - 2055</td><td>150</td></tr> </tbody> </table> </div> | Year | Renewals (Cost \$000) | 2025/26 | 400 | 2026/27 | 50 | 2027/28 | 50 | 2028/29 | 50 | 2029/30 | 50 | 2030/31 | 50 | 2031/32 | 50 | 2032/33 | 50 | 2033/34 | 50 | 2034/35 | 50 | Av. 2036 - 2040 | 80 | Av. 2041 - 2045 | 100 | Av. 2046 - 2050 | 120 | Av. 2051 - 2055 | 150 |
| Year                 | Renewals (Cost \$000)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |      |                       |         |     |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |                 |    |                 |     |                 |     |                 |     |
| 2025/26              | 400                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |      |                       |         |     |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |                 |    |                 |     |                 |     |                 |     |
| 2026/27              | 50                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |      |                       |         |     |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |                 |    |                 |     |                 |     |                 |     |
| 2027/28              | 50                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |      |                       |         |     |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |                 |    |                 |     |                 |     |                 |     |
| 2028/29              | 50                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |      |                       |         |     |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |                 |    |                 |     |                 |     |                 |     |
| 2029/30              | 50                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |      |                       |         |     |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |                 |    |                 |     |                 |     |                 |     |
| 2030/31              | 50                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |      |                       |         |     |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |                 |    |                 |     |                 |     |                 |     |
| 2031/32              | 50                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |      |                       |         |     |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |                 |    |                 |     |                 |     |                 |     |
| 2032/33              | 50                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |      |                       |         |     |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |                 |    |                 |     |                 |     |                 |     |
| 2033/34              | 50                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |      |                       |         |     |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |                 |    |                 |     |                 |     |                 |     |
| 2034/35              | 50                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |      |                       |         |     |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |                 |    |                 |     |                 |     |                 |     |
| Av. 2036 - 2040      | 80                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |      |                       |         |     |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |                 |    |                 |     |                 |     |                 |     |
| Av. 2041 - 2045      | 100                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |      |                       |         |     |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |                 |    |                 |     |                 |     |                 |     |
| Av. 2046 - 2050      | 120                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |      |                       |         |     |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |                 |    |                 |     |                 |     |                 |     |
| Av. 2051 - 2055      | 150                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |      |                       |         |     |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |         |    |                 |    |                 |     |                 |     |                 |     |

# Water Services Delivery

## Context

Local Water Done Well is the Coalition Government's initiative to address New Zealand's longstanding challenges in water infrastructure. Established under the Local Government (Water Services Preliminary Arrangements) Act 2024, the framework lays the foundation for a new approach to water services management that emphasises financial sustainability and regulatory compliance.

Under the Act, all councils are required to:

- Develop a Water Services Delivery Plan that provides comprehensive information on their water service operations, including assets, revenue streams, expenditures, pricing structures, and projected capital investment needs. This plan forms the initial step toward future economic regulation.
- Outline future water service delivery arrangements and engage with their communities in consultation processes. Councils must at least consider two options: delivering water services internally or establishing a dedicated water organisation. They may also evaluate collaborative models, including joint water entities with neighbouring councils.

This marks a significant departure from the previous government's proposal, which aimed to consolidate Grey District's water services within a larger West Coast–Canterbury entity. That earlier model sought to lower direct costs to ratepayers through economies of scale, allowing for broader investment with a lower cost per customer compared to the current stand-alone approach.

As part of the new government's shifting priorities, The Local Government (Water Services) Bill will repeal the requirements to give effect to Te Mana o te Wai. Additionally, the government plans to replace the NPS-FM, which guided how local councils managed freshwater resources, prioritizing the health and well-being of water bodies. This change will create regulatory uncertainty, and councils will need to navigate the transition from the existing NPS-FM requirements.

## Compliance

Compliance with enhanced standards presents another layer of complexity for GDC. Upgraded Drinking Water Standards for New Zealand (DWSNZ) and more stringent environmental consent conditions require significant investments in water treatment facilities. Ongoing projects to upgrade the Greater Greymouth and Blackball water treatment plants are essential to meet these standards, with both facilities expected to be compliant by 2026. While these improvements will enhance water safety and reliability, the financial burden associated with such large-scale infrastructure projects places further strain on Council resources and long-term financial planning.

Compounding these issues is the situation with wastewater consents. Several of the district's wastewater schemes are operating under consents that have technically expired but remain lawful under Section 124 of the Resource Management Act 1991. Securing new consents will require considerable capital investment in infrastructure upgrades, particularly to separate stormwater from wastewater networks and enhance treatment processes. Failure to address these requirements in a timely manner could result in non-compliance with environmental regulations and associated penalties. One challenge Council faces is estimating the cost of renewing consents.

The table below lists expired and upcoming consents that need renewal over the next 10 years:

| Consent no.    | Type of consent/s                                             | General location           | Status                           | Expiry date |
|----------------|---------------------------------------------------------------|----------------------------|----------------------------------|-------------|
| RC06054 (1208) | Emergency Discharge                                           | Lake Brunner, Moana        | Expired/ Reapplied/ s124 applies | 1/09/2006   |
| RC06055 (1209) | Discharge Permit                                              | Moana Ponds, Arnold River  | Expired/Reapplied s124 applies   | 1/09/2006   |
| RC06052 (1206) | Emergency Discharge                                           | Watsons Creek, Karoro      | Expired/Reapplied s124 applies   | 1/09/2006   |
| RC06056 (1210) | Discharge Permit                                              | Seven Mile Creek, Dunollie | Expired/Reapplied s124 applies   | 18/02/2007  |
| RC06057 (1211) | Emergency Discharge                                           | Raleigh Creek, Dunollie    | Expired/Reapplied s124 applies   | 18/02/2007  |
| RC98037/15     | Discharge Permit                                              | Greymouth Sewerage Scheme  | Expired/Reapplied s124 applies   | 4/07/2013   |
| RC98037/16     | Discharge Permit                                              | Greymouth Sewerage Scheme  | Expired/Reapplied s124 applies   | 4/07/2013   |
| RC98037/17     | Discharge Permit                                              | Greymouth Sewerage Scheme  | Expired/Reapplied s124 applies   | 4/07/2013   |
| RC98037/7      | Discharge Permit                                              | Greymouth Sewerage Scheme  | Expired/Reapplied s124 applies   | 4/07/2013   |
| RC98037/1      | Coastal Permit                                                | Greymouth Sewerage Scheme  | Expired/Reapplied s124 applies   | 4/07/2013   |
| RC98037/12     | Discharge Permit                                              | Greymouth Sewerage Scheme  | Expired/Reapplied s124 applies   | 4/07/2013   |
| RC98037/14     | Discharge Permit                                              | Greymouth Sewerage Scheme  | Expired/Reapplied s124 applies   | 4/07/2013   |
| RC98037/5      | Coastal Permit                                                | Greymouth Sewerage Scheme  | Expired/Reapplied s124 applies   | 4/07/2013   |
| RC01369        | Discharge to Sea (RC01369/3) and Discharge to Land (RC0139/4) | Karoro Scheme              | current                          | 1/02/2028   |
| RC5127/1       | Discharge Permit                                              | Ford Creek, Blackball      | current                          | 23/01/2030  |
| RC5127/2       | Discharge Permit                                              | Ford Creek, Blackball      | current                          | 23/01/2030  |
| RC5127/3       | Discharge Permit                                              | Ford Creek, Blackball      | current                          | 23/01/2030  |

Additionally, GDC must navigate the requirements set by Taumata Arowhai, the new water services regulator, which oversees drinking water safety and environmental performance. Compliance with Taumata Arowhai's standards is crucial to ensure the safety and reliability of water services. Furthermore, the principles of Te Mana o te Wai, which emphasize the health and well-being of water bodies, must be integrated into GDC's water management practices. This holistic approach to water management prioritizes the protection and restoration of freshwater ecosystems, adding another layer of responsibility for GDC.

## Grey District Council's Current Position

Grey District Council (GDC) is in the process of developing its Water Services Delivery Plan. We are in the process of deciding on a preferred model which at the time of consultation was a multi council CCO. At the time of completing the LTP submissions on the consultation were yet to be heard. Regardless of the model selected, a core requirement is ensuring that water services are delivered in a cost-effective and financially sustainable manner. To achieve this, GDC must assess its performance against three critical criteria:

- **Revenue Sufficiency:** Is there enough revenue to cover the full costs of delivering water services, including debt servicing obligations?
- **Investment Sufficiency:** Is the planned investment adequate to meet service level expectations, comply with regulatory requirements, and accommodate future growth?
- **Financing Sufficiency:** Are the funding and financing mechanisms robust enough to support the necessary investments?

Grey District Council faces several complex challenges in meeting the requirements of the Local Water Done Well framework. One of the most significant issues stems from historical underfunding. For the past two decades, deliberate efforts to keep water rates low have provided short-term relief for ratepayers but resulted in revenue streams that are insufficient to cover the full costs of water services delivery. While increasing rates is now necessary, immediate substantial increases would be unaffordable for many residents, requiring a gradual approach to revenue growth that balances financial sustainability with community affordability.

Another major challenge is the prolonged backlog of renewals across the district's water infrastructure. The Council's current strategy aims to address this backlog over a 29-year period. Although this long-term approach spreads costs to avoid overwhelming ratepayers, it significantly limits the Council's ability to invest in service level improvements beyond essential compliance-driven upgrades. This extended timeframe also increases the risk of asset failures, placing further pressure on operational budgets.

## How will we address this?

GDC is firmly committed to ensuring that all Council-supplied water and wastewater services meet or exceed regulatory standards, delivering safe, reliable, and resilient infrastructure for the community. This Infrastructure Strategy was developed ahead of the finalisation of the Water Services Delivery Plan and sets out a programme of essential investments that will proceed regardless of the chosen delivery model, whether in-house, through a dedicated water organisation, or via a joint arrangement with other councils.

To fund these essential investments, Grey District Council has relied significantly on borrowing, including for renewals. This approach aligns with the principle of intergenerational equity, ensuring that the costs of long-term infrastructure investments are spread across both current and future ratepayers who will benefit from the improved services. However, this has also led to increased debt levels, which the Council must carefully manage to maintain financial sustainability.

The community will be engaged through the upcoming Long-Term Plan consultation process, ensuring that residents and stakeholders have the opportunity to shape the future of local water services. The final Water Services Delivery Plan will be completed and submitted by September 2025, aligning with national timelines and regulatory expectations.

GDC achieves a financial sustainability capital programme by increasing targeted rates and borrowing additional funds for capital projects. After year 5, there is a projected operating surplus for the remainder of the programme. Operating surpluses will be used to repay borrowed funds and invest in new capital projects. Renewals and operating expenditure are not funded by new borrowings with the exception of stormwater and water renewals during the first 6 years, in order to smoothen targeted rates increases.

## Affordability

Affordability is a significant challenge for Grey District Council and many other councils across New Zealand. The costs associated with maintaining and renewing infrastructure, alongside meeting increasingly stringent standards and regulatory requirements, have risen sharply in recent years. Labour and material costs, in particular, have escalated well beyond general construction inflation rates, making it more difficult to deliver the necessary quantity of work within constrained budgets.

This financial pressure is compounded by a historical reluctance to impose substantial rate increases, which, while easing the immediate burden on ratepayers, has led to the underfunding of critical activities. This approach has directly contributed to the substantial backlog of work identified in this Infrastructure Strategy. Even in the

absence of this backlog, the Council must increase revenue just to maintain the core programme of current and future work.

As the Council moves forward, it must confront difficult decisions regarding which infrastructure and services are essential to maintain and which may need to be scaled back, divested, or discontinued. Striking the right balance between maintaining levels of service and ensuring long-term financial sustainability will require careful prioritisation and community consultation.

### Three Waters

Council delivers over 2.6 billion litres of treated water annually to households and businesses. However, maintaining water supply assets presents significant challenges due to historic under-funding, ageing infrastructure, and rising costs. The water treatment plants struggle to comply with drinking water standards, exacerbated by high levels of leakage from underground pipes. Addressing these issues requires substantial investment, which poses affordability challenges for ratepayers. The proposed programme aims to balance the need for investment with the affordability for the community, but the gradual approach to revenue growth means some projects will continue to be deferred.

With wastewater, the council faces affordability challenges such as operating beyond the expiry of relevant resource consents and separating the combined sewer and stormwater network within Greymouth. Significant investment into renewals is required to address historical deferred investment. The proposed capital programme will address the backlog of renewals over a 29-year timeframe, prioritising based on end-of-life assessment. The focus on renewals results in limited ability to invest in service level improvements, and Council will instead focus on maintaining the status quo.

Debt per rate payer household is projected to reach a peak of \$9,524 in year 4 and decrease to just over \$7,400 in year 9. Net interest payments to service external debt must be less than 10% of our total revenue and less than 25% of the total rates for the year. Interest is not forecast to exceed 7.6 % of total revenue.

Council considers this to be acceptable levels of debt. Operating surpluses projected after year 5 will be used to repay debt from the capital programme.

### Transportation

Roading costs have experienced a marked increase over the past five years. The rise in the cost of construction materials, coupled with significant increases in traffic management expenses, has far outpaced general inflation indices. While the Council has successfully secured increased funding through consecutive National Land Transport Programme (NLTP) rounds in 2018, 2021, and 2024, the escalating cost environment has eroded the additional purchasing power this funding should have

provided. As a result, the volume of additional works Council can deliver with these funds has been reduced.

Due to shifting government priorities and funding cuts, NZTA is constrained this triennium. GDC requested \$40.9m from NZTA for the 2024-27 National Land Transport Programme (NLTP), with \$14.7m as GDC's local share. However, because of NZTA's funding constraints, only \$24m was approved, \$16.9m less than requested. Consequently, GDC's 3-year local share commitment is \$8.6m, a reduction of \$6.1m. Although the total approved allocation for local roads increased by \$4.9m from the previous programme, all activity classes were approved below the requested levels.

An additional risk to the affordability of transportation infrastructure arises from unexpected weather events and natural hazards. Such occurrences, while unpredictable, often come with high recovery costs. Recent reductions in financial support from the NZ Transport Agency (NZTA) for weather-related recovery efforts mean that a greater portion of these costs will be borne by ratepayers. As extreme weather events become more frequent and severe due to climate change, the financial risk to Council and the community is expected to increase.

### Commercial & Property

Managing Council-owned property has become increasingly unaffordable. High maintenance costs, the need for substantial upgrades to aging infrastructure, and low rental or user fee revenues are driving a growing funding gap.

### Retirement Housing

Council's Retirement Housing Strategy states that the Council's investment in its rental housing portfolio will remain self-funding with no contribution from rates. However, due to the rising cost of renewing assets, a large portion of funding has been covered by ratepayers, while rental prices have remained unsustainably low.

The Retirement Housing Strategy also states that rent will be determined by Council at approximately 25% of gross NZ Superannuation and will be reviewed annually and consideration will be given to adjusting them in line with the Consumer Price Index (CPI); and/or income levels as determined through Council's Long Term Plans and Annual Plans.

However, there is a risk that significant rental increases could render these units unaffordable for the retirees who rely on them for housing. Furthermore, the Council-owned and operated model restricts access to alternative funding sources, such as those available to Community Housing Trusts, which may offer more financially viable solutions.

### Port of Greymouth

The Port of Greymouth operates at a financial loss. Current user charges do not fully cover the costs of operations, maintenance, and necessary renewals, which means

ratepayers are effectively subsidising an asset that primarily benefits commercial users. While there is a recognised economic benefit associated with maintaining the port—particularly in terms of regional productivity and potential growth—the financial burden on the Council remains significant. Upgrading the port to meet modern operational standards requires substantial capital investment. In 2024, the Council, in partnership with Mineral Sands, submitted a \$19.8 million application to the Regional Infrastructure Fund (RIF) to finance these upgrades. Should the application be unsuccessful, it is unlikely that Council will be able to proceed with the proposed improvements without securing alternative public or private funding sources, as the required investment is beyond the financial capacity of ratepayers.

### Aerodrome

Like the port, the Greymouth Aerodrome also operates at a loss. The current operational model is financially unsustainable, with user fees insufficient to cover the costs of maintenance and required upgrades. Without significant changes to its funding model or operational structure, the Aerodrome will continue to place additional financial pressure on the Council's budget and ratepayers.

### Community and Recreation

High renewal costs for some assets within the Community & Recreation portfolio, such as the Grey District Swimming Pool at the Westland Recreation Centre, exacerbate these affordability challenges. These items have been prioritised for renewal to ensure the provision of a safe and well-maintained facility for the community. Swimming pools are essential community assets that offer recreational, social, and health benefits. Maintaining these facilities in good condition helps ensure uninterrupted service delivery, which is crucial for community satisfaction and engagement.

However, prioritising higher-cost asset renewals necessitates trade-offs in other areas of the Community & Recreation portfolio. Consequently, there has been a reduction in budget or deferred renewal across some of these assets.

These affordability challenges highlight the difficult decisions the Council must make to balance maintaining levels of service with ensuring long-term financial sustainability.

## How will we address this?

### Three waters

The proposed programme addresses the backlog of renewals over an undesirable 29-year timeframe, while major capital upgrades are focused on end-of-life renewals with limited ability to invest in level of service (other than necessary compliance upgrades) and growth improvements. Previous decisions to keep water rates low over the last 10 to 20-years means that the level of revenue increase needed now is not considered affordable to current ratepayers, so the increase will occur more gradually over time resulting in continued deferral of some projects.

An area to reduce future operational and capital costs for Council is to address the high leaking network in the Grey District. Council are looking to explore the implementation of smart metering, which will help isolate the leaks and impose water reduction from the community, saving the need for future investment in operational time/costs as well as increased investment in reservoirs and bores for capacity. Council can also start to review water charges and implement volumetric charging later on in the LTP.

Council will continue to monitor the affordability of services where there is a slow growing ratepayer base and/or an increase in the number of ratepayers on fixed incomes. We note that the Local Water Done Well Bill includes a focus on affordability, and funding structures are likely to change under the new regional entity.

Council will have a greater view on future affordability as it works through its Water Service Delivery Plan and investigating the different delivery model options for water services.

Since the preparation of the draft Long Term Plan Council gained further information into the changing space of three waters reform. After consideration Council has moved forward to consult with the public with a preferred option of a multi-council CCO. This option is currently out for consultation in conjunction with Buller and Westland District Council's. This option has not however been incorporated into this Long Term Plan, which was prepared using an in-house business until model, due to the timing of the decision making process.

### Transport

In response to the funding shortfall from what was approved versus requested from NZTA for the 2024-27 NLTP triennium, Council is committed to using unsubsidised funding to cover shortfalls in critical areas. For instance, Council has agreed to fund an additional \$250,000 per annum for footpaths, focussing on priority renewals.

### Community and Recreation

To address the affordability challenges faced by the Community & Recreation portfolio, Council will focus on renewing critical assets that pose the highest risk of failure. To prioritise high-risk areas, the Council will reallocate budgets, deferring less critical renewals. This reallocation allows the Council to focus resources on the most urgent needs while maintaining financial sustainability.

By addressing maintenance and renewal needs before these assets fail, the Council aims to ensure the continued provision of safe and well-maintained facilities. This approach is more cost-effective in the long run and helps maintain uninterrupted service delivery, which is crucial for community satisfaction and engagement.



## Commercial and Property

Council is committed to developing a Masterplan for the Port and Aerodrome as there is currently no coordinated plan for the future development of these sites. Council is also committed to exploring external funding opportunities such as the Regional Infrastructure Fund, to support large-scale capital projects for the Port.

On top of this, Council will develop a Commercial Property Strategy to carry out further investigation to enable an informed decision about the future of these assets, service delivery, and how they will be funded.

Currently Council remains committed to maintaining the current levels of service and assets, but it is possible substantial change may be required in the long-term.

A review of retirement housing will be completed in Year 1-2 of this Strategy to understand future demand for and cost of this activity, and options for how it might be sustainably delivered in the future. This review will be informed by a needs assessment via Council's planned age-friendly / positive ageing strategy.

Options may include, but are not limited to:

- Increase rental prices.
- Establish a Community Housing Trust, or similar entity, responsible for these assets and the service delivery.
- Reduce the number of retirement units Council operates to a more affordable level.
- Sell the retirement housing portfolio to another entity (public or private).

## Capability and Capacity to Deliver

Grey District Council has consistently faced challenges in retaining staff, which has hindered its ability to build and maintain sufficient in-house capability and capacity. These retention difficulties have placed significant strain on the organisation, particularly in managing the increasing demand for infrastructure renewals and essential maintenance activities.

As operational issues and asset failures become more frequent, the Council's capacity to deliver its capital works programme diminishes. This issue is particularly acute within the Utilities & Infrastructure Group, which is responsible for a broad portfolio of services including the management of Three Waters (drinking water, wastewater, and stormwater), Parks and Reserves, Refuse and Recycling, Cemeteries, Public Toilets and other minor Council portfolios. The scope and scale of these responsibilities stretch

existing resources, making it challenging to address the large volume of renewals and maintenance required.

A key area of concern lies in the delivery of Three Waters infrastructure projects. The significant backlog of renewals and compliance-driven upgrades places a heavy burden on the current workforce. The Council's Three Waters Delivery Plan will need to outline clear strategies for increasing capacity and capability to ensure these critical works can be delivered effectively over the course of the Infrastructure Strategy.

## How will we address this?

Recognising the organisation-wide challenges posed by reduced staffing capacity and limited internal expertise, Grey District Council has taken steps to address these issues through the 2025–2034 Long-Term Plan (LTP). The LTP includes targeted funding allocations to strengthen resourcing across the following areas:

| Position                                  | Description                                                    | Month     |
|-------------------------------------------|----------------------------------------------------------------|-----------|
| Vacant                                    | Health and Safety officer                                      | July      |
| Planner                                   | Intermediate Environmental Planner                             | July      |
| Planning admin officer                    | Planning admin officer                                         | July      |
| Senior animal control officer             | Senior animal control officer                                  | January   |
| Project manager - Sewer Sep               | Project manager - Sewer Sep                                    | July      |
| Administration officer - Sewer Sep        | Administration officer - Sewer Sep                             | July      |
| Infrastructure asset management officer   | Infrastructure asset management officer                        | January   |
| Capital Design engineer                   | Capital Design engineer                                        | September |
| Subdivision engineer Development engineer | Subdivision engineer - Multi role includes design work as well | September |
| Utilities maintenance contract officer    | Manage and look after maintenance contract                     | September |
| Environmental data analyst                | Support for and succession plan for Leonie                     | January   |
| In House Task Force Officer               | In House Task Force Officer - 16 weeks                         | July      |
| In House Task Force Officer               | In House Task Force Officer - 16 weeks                         | July      |



|                 |                 |       |
|-----------------|-----------------|-------|
| Librarian       | Librarian       | March |
| Library officer | Library officer | March |

By increasing both internal capacity and capability, Council aims to ensure that essential infrastructure projects, particularly those within the Three Waters programme, are delivered on schedule while maintaining the quality and reliability of core services. These initiatives are critical to addressing the significant workload demands and ensuring that Council can meet community expectations and regulatory requirements into the future.

## Climate Change and Natural Hazards

The West Coast region is highly susceptible to the impacts of climate change and natural hazards, which have become increasingly evident through the rising frequency and intensity of extreme weather events, particularly heavy rainfalls. Grey District Council's assets and communities face substantial risks from flooding, coastal erosion, landslides, earthquakes, and other natural hazards. These threats endanger critical infrastructure and lifelines, with some key assets, such as the aerodrome, especially vulnerable to damage and operational failure during flooding events.

Flooding remains one of the most pressing concerns, exacerbated by sea-level rise and intensified storm events. The potential for significant infrastructure damage, disruption to essential services, and threats to community safety makes addressing these risks a top priority for Council. Coastal erosion also poses a serious and growing threat to built-up areas and Council-owned infrastructure along the coastline. In response, Council recognises the ongoing need to monitor vulnerable areas and consider long-term solutions. In some instances, managed retreat from low-lying, sea-level-adjacent districts may emerge as the most sustainable course of action. This comprehensive approach will be supported through operational management plans, regular monitoring, hydraulic modelling, and adherence to resource consent conditions.

Specific areas of concern include the Karoro area scheme, where treated effluent is discharged to the sea after passing through a wetland system. Coastal erosion could threaten the integrity of this system in the future. Similarly, the communities of Rapahoe and the southern end of lower Cobden face current and escalating coastal erosion risks that require careful consideration and proactive planning.

### Water Supply

Climate change's influence on the district's water supply network is becoming more pronounced. Projected increases in the frequency and intensity of extreme rainfall events could disrupt water takes and place additional stress on existing infrastructure. These changes may lead to a reduced level of service, with water security already compromised by significant network leakages and irregularities in rainfall patterns. To address these vulnerabilities, Council is actively investigating alternative water sources to ensure the long-term reliability of supply.

### Wastewater

Wastewater systems, much like stormwater infrastructure, are vulnerable to the effects of climate change. More frequent and intense rain events result in higher inflow and infiltration into wastewater networks, increasing the occurrence of wet weather overflow incidents. Rising groundwater levels, particularly in areas with close links to the sea, pose a significant risk to the effectiveness of wastewater systems. The potential consequences include increased sewer overflows, contamination of inland and coastal waters with untreated wastewater, and the failure of drainage infrastructure.

### Stormwater

Stormwater infrastructure is particularly susceptible to climate-induced pressures. Even relatively small changes in rainfall intensity or duration can exceed the design capacity of existing systems, increasing the likelihood of surface flooding, especially in urban areas. Low-lying locations where groundwater is hydraulically connected to the sea face additional risks from rising sea levels, which can further undermine stormwater system performance.

The Greymouth CBD faces significant stormwater management challenges, particularly in the context of climate change and resilience. The stormwater infrastructure in the CBD has inconsistent levels of service and lacks the capacity to handle severe storms, resulting in surface flooding during moderate rain events. Major areas such as Leonard Street, Guinness and MacKay Streets, Albert Street, and Alexander Street are particularly prone to flooding during a 1 in 50-year rainfall event.

Urban stormwater systems are typically designed to cope with 5 to 10-year return period storm events, but the Greymouth CBD experiences more frequent flooding events, with capacity varying between a 1-year and a 5-year storm event. Neglecting these issues will lead to significant economic impacts for future developments, as the risk of damage increases. While population or tourism growth projections within the Grey District are not expected to significantly increase demand, the Council will need to work with future developers to ensure additional stormwater runoff does not impact the network.

Climate change exacerbates these challenges, as even small changes in rainfall extremes can overwhelm the design capacity of stormwater systems. In low-lying areas, sea level

rise can affect stormwater system performance. The projected increased frequency of extreme rainfall events will impact existing systems, resulting in a lower level of service.

Council's aging stormwater assets present an additional challenge. The financial burden of replacing these systems is significant; however, renewals provide an opportunity to improve resilience by redesigning systems to accommodate projected climate impacts. Council will review the capacity of stormwater networks as pipelines are renewed, ensuring that future upgrades account for increased rainfall and flooding risks. Planned improvements include exploring the installation of stormwater pumping systems, enhancing pipe capacity, and developing additional networks to prevent back-up flooding in built-up areas. Ongoing mitigation efforts will be guided by recognised design standards and climate data projections.

## Commercial and Property

### Council Property

The Building (Earthquake-prone Building Deadlines and Other Matters) Amendment Act, which came into effect on 26 November 2024, provides an extension to the remediation deadlines for earthquake-prone buildings by four years (except for buildings with notices that expired on or before 1 April 2024).

While this extension has helped relieve some burden on the council in carrying out strengthening works on History House and Harbour Board Building, these works would still need to be carried out before the deadline, and deferral would most likely increase the costs. Council has resolved to dispose of these buildings within the first year of the Long Term Plan. If council chose to maintain ownership of the buildings the extension does not eliminate the inherent risks associated with earthquake-prone buildings. According to recent scientific research, there is a 75 per cent chance of a major earthquake - most likely a powerful magnitude 8 event - within the next 50 years<sup>3</sup>.

The buildings remain vulnerable to seismic events, and the longer the remediation is delayed, the greater the risk of significant damage or even collapse during an earthquake. This not only poses a safety hazard to occupants and the public but also has the potential to incur substantial financial liabilities for the Council in terms of emergency response, repairs, and potential legal claims.

### Aerodrome

Assets at the aerodrome are also likely to be impacted by coastal erosion. A 2012 NIWA report noted that the corner of the Greymouth Aerodrome runway enclosure at Karoro

was threatened with erosion. Coastal erosion has subsequently occurred in the area. Coastal inundation is also a potential risk.

The aerodrome is located within the 0-3m coastal elevation zone and is noted in recent studies as one of eight airports nationally that are exposed to ESL1 0-3m. These hazards are predicted to increase in frequency and severity over time, although there is considerable uncertainty as to timing and localised effects.

## Transport

For the 2024-27 NLTP, no budget was allocated toward Minor Events & Emergency Works work category, despite Council requesting \$750,000 over the three-year period. Previously NZTA has approved an annual budget to commit their funding assistance for qualifying events.

Due to location, topography, and geology the intensity and number of natural events pose significant challenges to the security of the network and have a direct impact on the well-being of local communities and businesses. The combination of storm intensity and the regions relatively unstable terrain will exert added pressure on the networks, resulting in rockfall, landslips, erosion, and flooding. Particularly significant risks relate to rockfall and landslips along SH6, SH7, and SH73<sup>4</sup>. Improving the resilience of transport and communications infrastructure is therefore vital.

## How will we address this?

### Stormwater Adaptation Measures

To address stormwater challenges in the Greymouth CBD, Grey District Council has developed a comprehensive plan focusing on capacity improvements, asset renewals, and climate resilience. Each asset replacement project is an opportunity to incorporate enhanced design standards that better withstand anticipated climate stressors. Council is committed to continued efforts to mitigate flooding and ponding in urban areas by focusing on increasing the system's overall capacity and functionality.

Key initiatives include upgrading sumps and clearing drains to enhance stormwater drainage, modifying the pumping regime at Johnston Pump Station, and assessing areas for pipe network upgrades to handle a 1 in 5-year storm event. The Council has allocated \$1.8 million over the Long-Term Plan (LTP) for increasing pipe size capacity to modern standards and adding redundancy to critical sections of the network to minimise the risk

<sup>3</sup> <https://www.gns.cri.nz/research-projects/alpine-fault-magnitude-8/>

<sup>4</sup> <https://www.nzta.govt.nz/assets/planning-and-investment/arataki/arataki-30-year-plan/docs/arataki-regional-direction-west-coast.pdf>

of backflow into residential properties. Hydraulic modelling will be conducted to develop strategies for improving the stormwater network.

### Commercial and Property Resilience

Building resilience extends beyond core infrastructure into Council-owned properties and facilities. Key initiatives include the installation of improved drainage systems around critical infrastructure such as the aerodrome runway, which is particularly vulnerable to flooding. These improvements aim to mitigate the risk of service interruptions and infrastructure damage during extreme weather events.

Council is taking steps to address seismic risk in its property portfolio. This includes divesting from earthquake-prone buildings, such as the History House and Harbour Board Building, both of which require costly upgrades to meet seismic standards.

By selling these assets, Council can reallocate resources towards higher-priority resilience projects that more directly benefit the wider community.

### Disaster reserve fund

Council is proposing in this LTP putting in place regular sums to increase the disaster reserves. This will help ensure Councils resilience to natural disasters.

Council being mindful that the district is exposed to changing weather patterns has taken the opportunity to increase its ability to withstand disasters within the district that may not necessarily trigger the use of insurance.

From Year 1 of the plan funding of \$10,000 has been set aside an amount that will increase to \$500,000 per annum by Year 7 (2% of rates in today's dollars). This funding is set aside in the Disaster Recovery Reserve and can only be used for the intention of that reserve.

In addition, the roading emergency fund is being increased so that by Year 4 of the LTP it will hold a minimum of \$800,000. These funding increases will ensure that Council is better placed to meet unexpected events in the future.

### Reactive renewals fund

Council has identified a need to implement a reactive renewals fund. Historically, planning and programming three water renewals investment has been difficult, particularly within the water supply asset. While infrastructure renewal planning has been completed, infrastructure failure, has ultimately meant the redistribution of the renewals funding to more urgent renewals projects.

So that Council can plan and complete a programme of renewal works throughout its three-water asset base, Council is putting in place a reactive renewals fund. The new fund will be accessible, to carry out reactive renewals due to asset failure, while continuing to ensure that the planned programme of renewals works is completed.

From Year 1 of the plan funding of \$200,000 has been set aside, increasing to \$250,000 in year 2. Further increases in funding to \$500,000 per year, in year 3-9 of the plan (2% of rates in today's dollars). This funding is to be set aside specifically for Three-waters reactive renewals and can only be used for this intention.

Should funds not use in their entirety, in any particular year, surplus funds will be directed to a Three-waters Reactive Renewal Reserve Fund.

## Investment Priorities and Key Initiatives

Grey District Council has carefully developed a prioritised investment programme to address the significant challenges outlined in this Strategy. The focus is on ensuring that essential infrastructure continues to provide safe, reliable services while managing affordability pressures for the community. Investment priorities have been guided by asset condition assessments, legislative compliance needs, climate resilience requirements, and community expectations.

Since the preparation of the draft Long Term Plan and the Infrastructure Strategy Council has gained further information into the changing space of three waters reform. After consideration Council has moved forward to consult on Local Water Done Well with the public with a preferred option of a multi-council CCO. This option is currently out for consultation in conjunction with Buller and Westland District Council's. This option has not however been incorporated into this Long Term Plan or the Infrastructure Strategy which were both prepared using an in-house business until model, due to the timing of the decision making process. Regardless the outcome of the LWDW consultation the priorities and Key Initiatives within the Infrastructure Strategy are expected to remain the same.

This approach represents a significant step-change in GDC's asset management maturity. By adopting a more strategic and systematic approach to asset management, the Council is laying the foundation for more effective and sustainable infrastructure management in the future. This step-change is not just about addressing immediate challenges but also about setting a new standard for how the Council manages its assets, ensuring that they are resilient, well-maintained, and capable of meeting the community's needs over the long term.

Council applied a robust prioritisation process to determine which projects and programmes should be advanced within the financial constraints of the Long-Term Plan (LTP) 2025–2034. Projects were assessed against criteria including:

- Urgency of addressing health and safety risks.
- Legal and regulatory compliance requirements.
- Impact on service levels and critical infrastructure resilience.
- Financial sustainability and funding availability.
- Community wellbeing and economic benefits.

By focusing on these priorities, the Council aims to develop further its asset management capabilities, continuously improving its processes and practices. This ongoing development will help the Council to better anticipate and respond to future challenges, ensuring that its infrastructure remains robust and capable of supporting the community's needs.

Investments have been categorised into four priority levels (A-D), with priority A projects focused on immediate risks, compliance obligations, and essential service continuity.

Compliance is a large issue for Council across the three waters activities. For wastewater, following a review by GDC staff in 2023 with assistance from Stantec, it was found that three wastewater schemes are currently operating beyond the expiry of relevant resource consents but remain lawful. A total of 13 consents were being operated under s124 of the RMA with applications for renewal having previously been made. Council is actively working to achieve renewed consents with the consent authority.

For water supply, both the Greater Greymouth and Blackball water treatment plants require upgrades to meet new drinking water quality assurance rules. These plants have been non-compliant since the current Drinking Water Quality Assurance Rules came into effect in November 2022.

### Water Supply

- Backlog Renewals: \$25.5 M allocated over the next 9 years to address aging pipelines with high leakage rates (around 70%) and other deferred renewals.
- Treatment Plant Upgrades: Compliance-driven upgrades for the Greater Greymouth Water Treatment Plant (GGWTP) and Blackball WTP, with full compliance expected by 2026.
- Reactive Maintenance Fund: To manage expected failures during the lengthy backlog reduction period.

### Wastewater

- Deferred Renewals: \$2.3M targeted to reduce pipe failures and prevent untreated wastewater discharges.
- Consent Compliance: Three of Councils wastewater schemes (Runanga, Greater Greymouth and Moana) are operating beyond their expired consents. Investment to upgrade treatment plants and separate stormwater from wastewater networks, addressing expired consents.

### Stormwater

- Capacity Upgrades: An estimated \$27.6M programme to renew and upgrade, where appropriate, undersized pipelines and reduce flood risks in vulnerable areas within Greymouth CBD.
- Climate Resilience: Integration of climate change projections into stormwater system designs, particularly in coastal and low-lying areas.
- Compliance: The existing network combines the wastewater and stormwater networks with Greymouth as a result of the older combined system that was transferred to stormwater. Requiring drainage separation of all 1,135 properties by July 2033.

### Transportation

- Bridge Renewals: \$6.1M allocated to address a significant backlog, with \$2.9M for urgent works between 2024–2029.
- Footpath Maintenance: Additional \$250,000 annually in 2025/26 and 2026/27 to maintain safe pedestrian access.
- Roading Resilience: Upgrades to improve network resilience against flooding and seismic risks, prioritising lifeline routes.
- Heavy Vehicle Route Assessments: Review of bridge classifications to balance service levels and affordability, with potential decommissioning of low-use structures.

### Community and Recreation Facilities

- Major Facilities: Proactive maintenance and renewals for Grey District Pool and Westland Recreation Centre to prevent costly failures and ensure community access.
- Parks and Reserves: Focused investment on high-use areas, with lower priority assets subject to reactive maintenance.
- Cemetery Expansions: Planning and early-stage investments to meet future demand.

### Commercial and Property Portfolio

#### Retirement Housing

- Prioritised renewal of critical building components to address safety and compliance issues.
- Lower-risk components to receive deferred maintenance, managed through a reactive approach.
- Upcoming review to assess the sustainability of the portfolio, with options including rent adjustments, asset divestment, or transitioning to a Community Housing Trust.

#### Port of Greymouth

- Joint \$19.8M funding application to the Regional Infrastructure Fund for critical upgrades; if unsuccessful, alternative funding strategies will be explored.

- Focus on creating a fit-for-purpose facility to support local economic growth.

#### Greymouth Aerodrome

- Planned drainage improvements to mitigate flood risks and enhance operational reliability.
- Long-term strategy to assess the aerodrome's viability given ongoing operational deficits.

#### Property Divestment Strategy

- Disposal of non-strategic assets such as the History House and Harbour Board Buildings to reallocate funds towards higher-priority infrastructure needs.

#### **Refuse and Recycling**

- Construction of Cell 4: Scheduled for completion in Years 8-9 of the LTP and makes up around \$2.6 million of the total \$3.97 million capital investment for this LTP.
- Rehabilitation of the old Cobden landfill site
- Weighbridge and Site Office Improvements: Planned upgrades include a new weighbridge to improve traffic flow and updated staff facilities.

# Improvements to Asset Management Planning

Grey District Council is committed to enhancing its asset management and infrastructure strategy in the next planning round. The focus will be on several key areas to ensure more effective and sustainable management of assets.

- **Investment Management:** The Council will adopt a more strategic approach to investment management, ensuring that resources are allocated efficiently and effectively. This will involve prioritisation of projects based on their impact on service delivery, risk mitigation, and long-term financial sustainability.
- **Optioneering Approach:** A structured optioneering approach will be implemented to evaluate different solutions for asset management challenges. This will involve assessing various options for their cost-effectiveness, risks and alignment with strategic objectives, ensuring that the best possible solutions are selected.

Asset Management Maturity: The Council aims to improve its asset management maturity by focusing on several key areas:

- **Asset Data – Increasing Confidence:** Efforts will be made to enhance the accuracy and reliability of asset data. This will involve regular updates and validation of asset information to support informed decision-making.
- **Leak Detection:** Council are investing in leak detection services to address water losses in the network. This will help reduce wastage and improve the efficiency of water supply systems.
- **Smart Metering:** The trial of smart metering will be able to isolate, measure and address the leaks across the district. This will enable better demand management and early detection of issues. This will also empower consumers to monitor and manage their water consumption more effectively.
- **Condition Assessments:** Regular condition assessments, particularly with Council Property, will be conducted to evaluate the state of assets and prioritise maintenance and renewal activities. This proactive approach will help prevent unexpected failures and extend the lifespan of critical infrastructure.
- **Commercial Portfolio:** Council will develop a strategy for managing its commercial property portfolio. This will include assessing the performance of existing assets, exploring opportunities for divestment or redevelopment, and ensuring that the portfolio contributes positively to the Council's financial sustainability.

- **Rates Review, Fees, and Charges:** A review of rates, fees, and charges will be undertaken to ensure that they are fair, equitable, and sufficient to cover the costs of providing services.



## Levels of Service

Levels of service are a defined service quality for an activity or service area against which service performance is measured.

Levels of service are a way of documenting and measuring an outcome that can be reported to the community. For a community facility a level of service may be as simple as its opening times (accessibility) measured by the hours of operation and/or days of the year available.

Whether levels of service are being achieved is assessed by measuring and monitoring performance against those defined service levels on a regular basis. Performance measures may be quantitative e.g. occupancy levels, or qualitative e.g. user satisfaction with a service.

A key objective of asset management is to match customer expectations with the level of service requirements specific to the asset.

Levels of service drive the creation, acquisition, maintenance, renewal, and disposal programmes based on lifecycle management philosophies.

Appendix 1 presents the levels of service (what we'll measure) and performance measures (how we'll measure) for each activity. The primary focus of the infrastructure strategy is to address the renewals backlog that has occurred over the last two decades. Therefore, levels of service will continue to be maintained to their current standard without any significant improvements. Depending on public consultation, there may also be a slight decrease in footpath levels of service.

Levels of Service in use:

### Three Waters

- Mandatory reporting measures are provided by Te Tari Taiwhenua – Department of Internal Affairs (DIA) ([Non-Financial-Performance Measure-Rules-2024](#)). The 2024 update provides a new Rule for water supply, amending performance measure 1 (safety of drinking water).

- These rules are established under the Local Government Act 2002 and are designed to standardise how local authorities measure and report their performance in non-financial areas, such as water supply and safety of drinking water.

### Transportation

- Mandatory reporting measures are provided by DIA (see above).
- The Transportation Activity Management Plan includes a detailed framework of customer and technical levels of service and reporting measures. A subset of these is included in the Long Term Plan and Infrastructure Strategy.
- Road Efficiency Group Te Ringa Maimoa provides reporting measures aligned with the One Network Framework, these are included in the Transportation Activity Management Plan as part of the wider set of operational and technical measures.

### Other Activities (Commercial Property, Community Recreation, Refuse and Recycling, Regulatory & Building Control)

- The Individual Activity Management Plan includes a detailed framework of customer and technical levels of service and reporting measures. A subset of these is included in the Long Term Plan and Infrastructure Strategy.
- Reporting measures are selected based on what Council believes are the most important to the community and can be measured and reported against in a timely manner.
- Mandatory reporting measures are provided by Te Tari Taiwhenua – Department of Internal Affairs (DIA) ([Non-Financial-Performance Measure-Rules-2024](#)). The 2024 update provides a new Rule for water supply, amending performance measure 1 (safety of drinking water).
- These rules are established under the Local Government Act 2002 and are designed to standardise how local authorities measure and report their performance in non-financial areas, such as water supply and safety of drinking water.
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# Financial Strategy and Funding Approach

The Grey District Council's financial strategy aims to balance significant infrastructure investment over the next 30 years with the community's ability to pay. This strategy addresses backlog renewals, evolving regulatory requirements, and resilience against climate change and natural hazards, all while ensuring financial sustainability.

The 30-year view is affordable and considered financially sustainable. Total debt will not exceed the LGFA limit and net interest payments does not exceed 10% of total revenue, keeping in line with GDC's financial strategy. These levels of debt are considered acceptable because after year 5, there is a projected operating surplus for the remainder of the programme and operating surpluses will be used to repay borrowed funds and invest in new capital projects. The move to an operating surplus and what this means for Council is explained further below.

A key aspect of the strategy is the Council's commitment to fairness, efficiency, and long-term affordability. Investments are prioritised to maintain essential services without imposing undue financial pressure on ratepayers. Rates increases are planned to be gradual, avoiding sudden spikes while ensuring sufficient funding for critical works.

Funding sources are diversified to minimize reliance on any single stream. Rates revenue remains the primary funding source, with targeted rates for specific services like water, wastewater, and stormwater. Debt financing is used strategically for long-life assets, spreading costs over time and across generations. External funding, including government grants from programs like the National Land Transport Fund and the Infrastructure Acceleration Fund, is crucial for large-scale projects. Asset sales and divestment of non-strategic properties provide additional funding, with proceeds reinvested into high-priority infrastructure. User charges are applied where direct beneficiaries of services can be clearly identified, ensuring an equitable approach to funding.

Central to the Council's financial planning is the smoothing of capital expenditure to prevent large fluctuations in funding requirements. Critical renewals are prioritised to prevent service failures, with compliance-driven upgrades and resilience improvements incorporated into a structured program. Debt levels are managed prudently to maintain borrowing capacity for future needs, and contingency funds are established to manage unexpected costs.

The strategy remains adaptable to account for changes in environmental regulations, population shifts, technological advancements, and economic conditions. Future iterations of the Long-Term Plan will reassess investment priorities to ensure continued alignment with community needs and financial realities.

Risk management is integral to the financial strategy. Key risks, such as cost escalations, interest rate volatility, and potential funding shortfalls, are mitigated through regular financial reviews, adherence to borrowing limits, engagement with funding partners, and monitoring of market conditions. These measures, combined with prudent financial stewardship, position the Council to deliver essential infrastructure services sustainably and responsibly over the coming decades.

## Movement to a surplus

Grey District Council's Financial Strategy outlines measures to address inflation and ensure long-term financial sustainability. While the Council has reported reasonable surpluses in recent years, these figures are skewed by large subsidies and grants for capital projects. In reality, the Council has been operating at a deficit. The Financial Strategy aims to address this by ensuring that, by Year 5, the Council will be running surpluses across the remaining years of the plan.

Operating with surpluses is essential for repaying debt and continuing to invest in the district's future by maintaining existing assets and building new infrastructure. The Council is proposing a step change to ensure sufficient funding for achieving surpluses.

## Using Operating Surplus to Invest

Using operating surpluses to invest in the district's future involves maintaining existing assets, building new infrastructure, and addressing deferred renewals. By operating with surpluses, the Council can repay debt and ensure long-term financial stability. This proactive approach will enable the Council to meet the needs of current and future communities while maintaining a balanced or surplus budget from Year 6 onwards.

## Managing Debt

The Council has set borrowing limits to ensure debt remains within sustainable levels. While debt is expected to increase significantly over the next 9 years, the Council's approach is to see debt starting to reduce over the life of the plan. New loans raised are set to be repaid over 20 years rather than the previous 30 years. All loans raised before 30 June 2025 are repaid using the original term. This approach allows the Council to allocate funds previously used for debt servicing into operational activities or reserves, helping to fund future projects with cash reserves rather than debt. As per the Local Government Funding Agency (LGFA), non-rated Councils can currently borrow up to 175% of their revenue and GDC financial policy states that Council must not exceed 140% of total revenue. While this 140% self imposed benchmark has not been met in years 2 through to 5 of the plan due to the need to keep rate rises affordable it peaks at 165% in year 3 leaving headroom for unforeseen investment requirements Net interest payments to service debt must not exceed 10% and the Council must maintain access to 110% of projected core debt. This programme maintains debt within 80% of Councils financial limits, leaving sufficient headroom for unforeseen investment requirements.



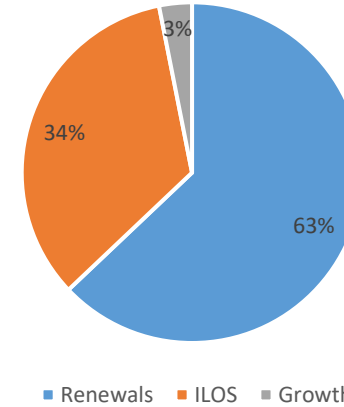
## Capital Expenditure Forecast

Over the next 9 years, the Council plans to invest significantly across all core infrastructure activities. The table below summarises the projected capital expenditure by activity area:

| Activity Area  | Capex (\$M - Inflated) | Funding Sources                           |
|----------------|------------------------|-------------------------------------------|
| Three Waters   | 119.2                  | Rates, debt, government grants            |
| Transportation | 40.8                   | Rates, NZTA subsidies                     |
| Other          | 21.2                   | Rates, debt, government grants, user fees |
| <b>Total</b>   | <b>181.2</b>           |                                           |

This capital programme addresses both the significant backlog of renewals and future compliance requirements. The Council's approach prioritises essential renewals, followed by compliance-driven upgrades and resilience improvements. Investments are sequenced to ensure that critical assets remain operational while minimising disruptions to service delivery.

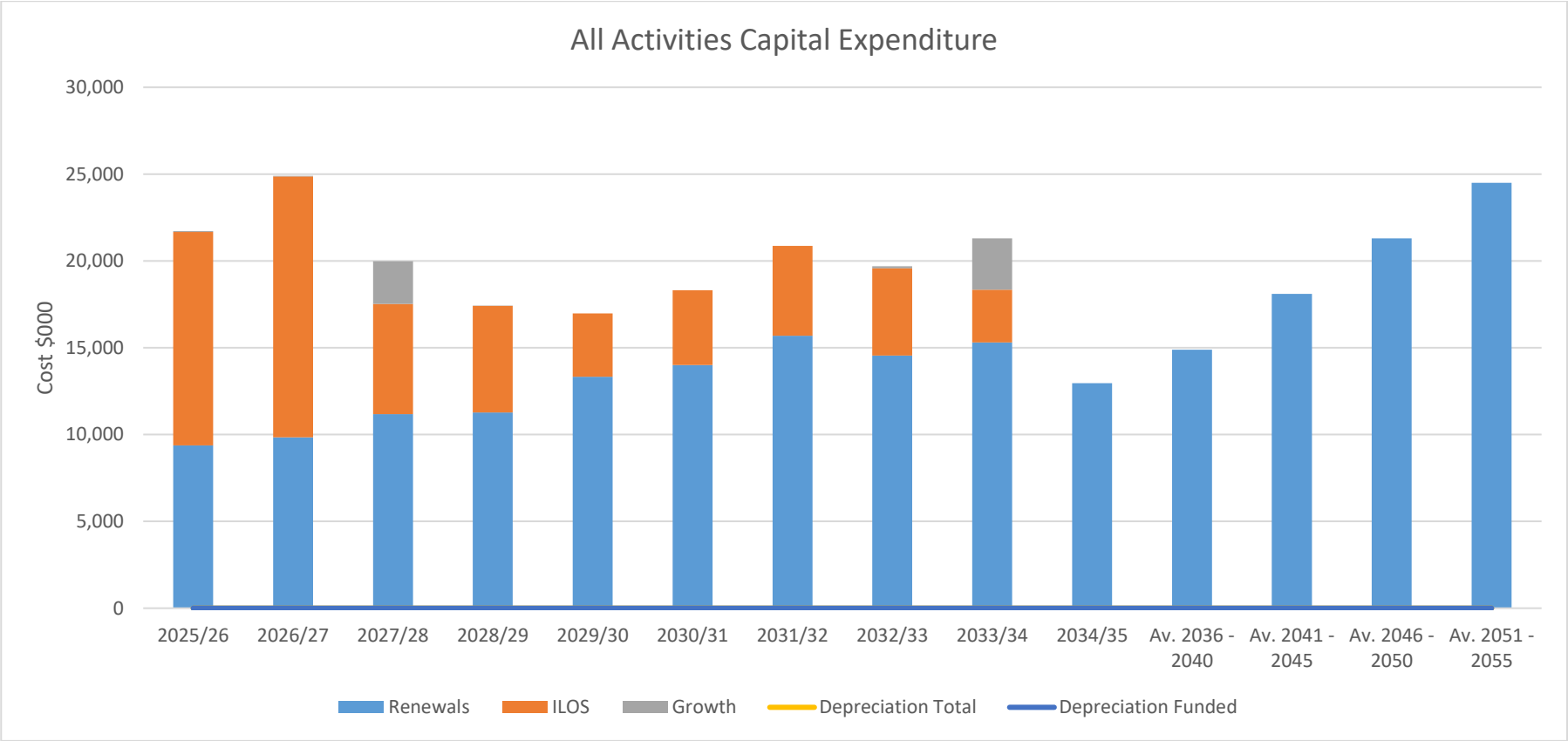
Demand Drivers for All Activities Capital Expenditure  
9 yr. LTP Programme

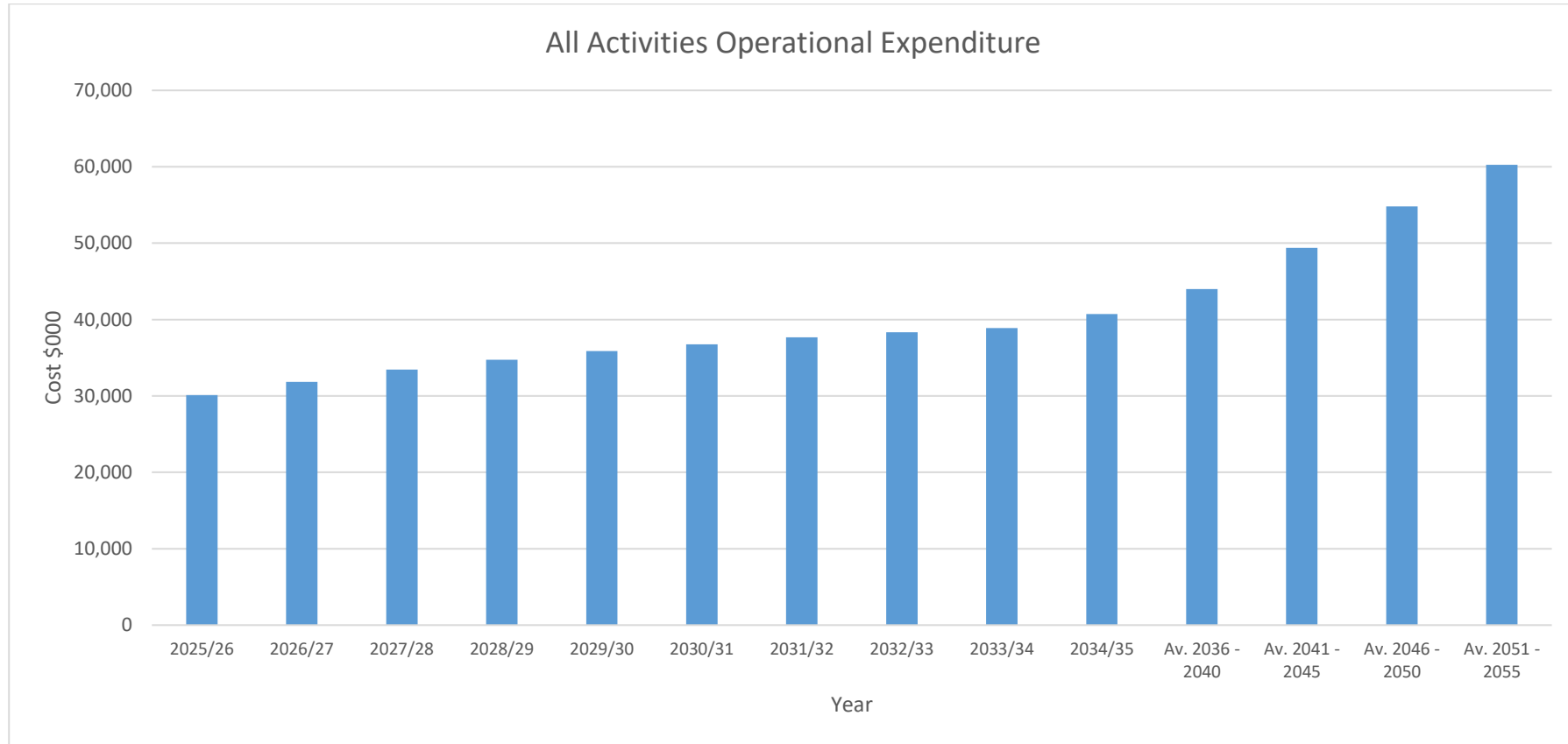


## Significant Projects (Uninflated \$)

|                                                                           | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 |
|---------------------------------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
|                                                                           | Year 1  | Year 2  | Year 3  | Year 4  | Year 5  | Year 6  | Year 7  | Year 8  | Year 9  |
| CAPITAL EXPENDITURE - TO IMPROVE THE LEVEL OF SERVICE                     | \$000   | \$000   | \$000   | \$000   | \$000   | \$000   | \$000   | \$000   | \$000   |
| Greater Greymouth WTP Upgrade                                             | 3,000   | 5,300   | 200     | 0       | 0       | 0       | 0       | 0       | 0       |
| Karoro/South Beach/Paroa Wastewater Redirection to GGWWTP                 | 393     | 4,943   | 193     | 0       | 0       | 0       | 0       | 0       | 0       |
| Greymouth CBD capacity                                                    | 575     | 575     | 575     | 575     | 575     | 575     | 575     | 575     | 575     |
| Puketahi Street Reservoir                                                 | 0       | 500     | 2,250   | 2,250   | 0       | 0       | 0       | 0       | 0       |
| New Library Project                                                       | 4,922   | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       |
| New Culverts                                                              | 0       | 90      | 773     | 863     | 0       | 863     | 0       | 863     | 863     |
| Smart Flow Meters                                                         | 100     | 100     | 0       | 0       | 0       | 1,000   | 1,000   | 2,000   | 0       |
| UV Treatment Plant Upgrade                                                | 2,300   | 1,000   | 0       | 0       | 750     | 0       | 0       | 0       | 0       |
| Overhead                                                                  | 307     | 335     | 340     | 447     | 354     | 360     | 367     | 367     | 369     |
| New Rapahoe reservoir construction                                        | 0       | 0       | 0       | 0       | 0       | 100     | 2,000   | 0       | 0       |
| Upgrade Pipe size                                                         | 200     | 200     | 200     | 200     | 200     | 200     | 200     | 200     | 200     |
| Moana WWTP Treatment Upgrade                                              | 100     | 950     | 0       | 0       | 0       | 0       | 0       | 0       | 0       |
| Greater Greymouth Implementation of Fluoridation at the WTP Plant         | 0       | 0       | 0       | 0       | 950     | 0       | 0       | 0       | 0       |
| Water Supplies - General - Leak Reduction Investigation                   | 0       | 100     | 100     | 100     | 100     | 100     | 100     | 100     | 100     |
| Panthers Creek mitigation                                                 | 0       | 0       | 50      | 600     | 0       | 0       | 0       | 0       | 0       |
| Library New Book Purchases - Annual cost for purchasing new library books | 69      | 69      | 69      | 69      | 69      | 69      | 69      | 69      | 69      |
| Blackball WTP Upgrade                                                     | 55      | 500     | 0       | 0       | 0       | 0       | 0       | 0       | 0       |
| Runanga WWTP Treatment Upgrade                                            | 0       | 0       | 50      | 500     | 0       | 0       | 0       | 0       | 0       |
| Animal control - New Pound Building (currently past its EOL)              | 0       | 0       | 0       | 0       | 0       | 500     | 0       | 0       | 0       |
| Gladstone Cemetery Stage 3 enabling the expansion of the plot.            | 0       | 50      | 400     | 0       | 0       | 0       | 0       | 0       | 0       |
| Stormwater Upgrade - Shakespeare Street                                   | 0       | 400     | 0       | 0       | 0       | 0       | 0       | 0       | 0       |
| WS General - SCADA software                                               | 40      | 40      | 40      | 40      | 40      | 40      | 40      | 40      | 40      |
| Scada                                                                     | 40      | 40      | 40      | 40      | 40      | 40      | 40      | 40      | 40      |
| Moa Street Stormwater Improvements                                        | 0       | 25      | 250     | 0       | 0       | 0       | 0       | 0       | 0       |
| Information Management Solution                                           | 30      | 30      | 30      | 30      | 30      | 30      | 30      | 30      | 30      |
| Moana Resource Centre Relocation - Design, tender and construction        | 0       | 30      | 200     | 0       | 0       | 0       | 0       | 0       | 0       |
| Gladstone Cemetery Stage 4                                                | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 20      | 200     |

|                                                                             | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 |
|-----------------------------------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| CAPITAL EXPENDITURE - TO IMPROVE THE LEVEL OF SERVICE                       | Year 1  | Year 2  | Year 3  | Year 4  | Year 5  | Year 6  | Year 7  | Year 8  | Year 9  |
|                                                                             | \$000   | \$000   | \$000   | \$000   | \$000   | \$000   | \$000   | \$000   | \$000   |
| Water Supplies - Greymouth Cobden Bridge Resilience Contribution            | 0       | 0       | 0       | 0       | 0       | 200     | 0       | 0       | 0       |
| Network modelling                                                           | 0       | 0       | 50      | 0       | 50      | 0       | 50      | 0       | 50      |
| Cobden Bridge Resilience Contribution                                       | 0       | 0       | 0       | 0       | 0       | 200     | 0       | 0       | 0       |
| Rehabilitation of the old Cobden landfill                                   | 25      | 25      | 25      | 25      | 25      | 25      | 25      | 25      | 0       |
| Network Segmentation                                                        | 50      | 100     | 0       | 0       | 0       | 0       | 0       | 0       | 0       |
| Electronic Records Management                                               | 0       | 13      | 13      | 13      | 13      | 13      | 13      | 13      | 13      |
| Omoto Reservoir Decommissioning                                             | 0       | 0       | 0       | 100     | 0       | 0       | 0       | 0       | 0       |
| McLean's Pit Amenities and Site Office Improvements - Upgrade facilities to | 100     | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       |
| Greater Greymouth Water Supply - New Source Water Investigation             | 0       | 0       | 0       | 0       | 0       | 50      | 50      | 0       | 0       |
| Web transaction protection                                                  | 80      | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       |
| Backup and recovery                                                         | 50      | 25      | 0       | 0       | 0       | 0       | 0       | 0       | 0       |
| Generator                                                                   | 0       | 50      | 0       | 0       | 0       | 0       | 0       | 0       | 0       |
| Tasman Street improvements                                                  | 50      | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       |
| Aerodrome Drainage around airport - preventative flooding                   | 0       | 50      | 0       | 0       | 0       | 0       | 0       | 0       | 0       |
| Library Miscellaneous furniture and equipment                               | 0       | 4       | 4       | 4       | 4       | 4       | 4       | 4       | 4       |
| Greater Greymouth WTP Ground Water Monitoring Bores at Taylorville Res      | 30      | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       |
| Endpoint device management solutions (service plan)                         | 10      | 10      | 0       | 0       | 0       | 0       | 0       | 0       | 0       |
| Animal Control Furnishings for new pound                                    | 0       | 0       | 0       | 0       | 0       | 10      | 0       | 0       | 0       |
| Grand Total                                                                 | 12,526  | 15,554  | 5,852   | 5,856   | 3,200   | 4,379   | 4,563   | 4,346   | 2,553   |





### Funding Impact Statement (Inflated \$)

The funding impact statement below incorporates the following activities:

- Three Waters (water supply, wastewater, and stormwater)
- Transportation
- Community and Recreation
- Commercial and Property,
- Refuse and Recycling

|                                                                          | 2025/26<br>Year 1<br>\$000 | 2026/27<br>Year 2<br>\$000 | 2027/28<br>Year 3<br>\$000 | 2028/29<br>Year 4<br>\$000 | 2029/30<br>Year 5<br>\$000 | 2030/31<br>Year 6<br>\$000 | 2031/32<br>Year 7<br>\$000 | 2032/33<br>Year 8<br>\$000 | 2033/34<br>Year 9<br>\$000 |
|--------------------------------------------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <b>SOURCES OF OPERATING FUNDING</b>                                      |                            |                            |                            |                            |                            |                            |                            |                            |                            |
| General rates, uniform annual general charges, rates penalties           | 11,319                     | 14,967                     | 16,562                     | 16,437                     | 17,884                     | 19,010                     | 22,335                     | 22,210                     | 23,428                     |
| Targeted rates                                                           | 12,527                     | 11,654                     | 13,229                     | 17,337                     | 19,737                     | 20,900                     | 22,503                     | 24,139                     | 23,255                     |
| Subsidies and grants for operating purposes                              | 3,311                      | 3,453                      | 3,559                      | 3,680                      | 3,788                      | 3,892                      | 3,997                      | 4,088                      | 4,182                      |
| Fees and charges                                                         | 6,297                      | 6,478                      | 6,619                      | 6,777                      | 6,932                      | 7,085                      | 7,237                      | 7,390                      | 7,540                      |
| Internal charges and overheads recovered                                 | 579                        | 320                        | 313                        | 302                        | 328                        | 337                        | 347                        | 356                        | 365                        |
| Local authorities fuel tax, fines, infringement fees, and other receipts | 778                        | 943                        | 969                        | 994                        | 1,018                      | 1,040                      | 1,064                      | 1,086                      | 1,109                      |
| <b>Total operating funding [A]</b>                                       | <b>34,811</b>              | <b>37,816</b>              | <b>41,250</b>              | <b>45,527</b>              | <b>49,687</b>              | <b>52,265</b>              | <b>57,483</b>              | <b>59,269</b>              | <b>59,878</b>              |
| <b>APPLICATIONS OF OPERATING FUNDING</b>                                 |                            |                            |                            |                            |                            |                            |                            |                            |                            |
| Payments to staff and suppliers                                          | 24,498                     | 25,367                     | 26,003                     | 26,609                     | 27,239                     | 27,819                     | 28,438                     | 29,008                     | 29,612                     |
| Finance costs                                                            | 1,960                      | 2,561                      | 3,382                      | 3,930                      | 4,275                      | 4,461                      | 4,609                      | 4,602                      | 4,438                      |
| Internal charges and overheads applied                                   | 3,648                      | 3,901                      | 4,069                      | 4,196                      | 4,347                      | 4,492                      | 4,635                      | 4,731                      | 4,822                      |
| Other operating funding applications                                     | 0                          | 0                          | 0                          | 0                          | 0                          | 0                          | 0                          | 0                          | 0                          |
| <b>Total applications of operating funding [B]</b>                       | <b>30,106</b>              | <b>31,828</b>              | <b>33,454</b>              | <b>34,735</b>              | <b>35,861</b>              | <b>36,773</b>              | <b>37,682</b>              | <b>38,341</b>              | <b>38,872</b>              |
| <b>Surplus (deficit) of operating funding [A - B]</b>                    | <b>4,705</b>               | <b>5,988</b>               | <b>7,796</b>               | <b>10,792</b>              | <b>13,826</b>              | <b>15,492</b>              | <b>19,800</b>              | <b>20,927</b>              | <b>21,006</b>              |
| <b>SOURCES OF CAPITAL FUNDING</b>                                        |                            |                            |                            |                            |                            |                            |                            |                            |                            |
| Subsidies and grants for capital expenditure                             | 2,250                      | 2,344                      | 2,407                      | 2,467                      | 2,527                      | 2,585                      | 2,642                      | 2,697                      | 2,751                      |
| Development and financial contributions                                  | 350                        | 350                        | 350                        | 350                        | 350                        | 350                        | 350                        | 350                        | 350                        |
| (Increase) / decrease in debt                                            | 13,224                     | 15,310                     | 8,891                      | 3,804                      | 361                        | 452                        | (1,682)                    | (3,763)                    | (2,489)                    |
| Gross proceeds from sale of assets                                       | 0                          | 0                          | 0                          | 0                          | 0                          | 0                          | 0                          | 0                          | 0                          |
| Lump sum contributions                                                   | 0                          | 0                          | 0                          | 0                          | 0                          | 0                          | 0                          | 0                          | 0                          |
| Other dedicated capital funding                                          | 0                          | 0                          | 0                          | 0                          | 0                          | 0                          | 0                          | 0                          | 0                          |
| <b>Total sources of capital funding [C]</b>                              | <b>15,825</b>              | <b>18,004</b>              | <b>11,648</b>              | <b>6,621</b>               | <b>3,238</b>               | <b>3,387</b>               | <b>1,309</b>               | <b>(716)</b>               | <b>612</b>                 |
| <b>APPLICATIONS OF CAPITAL FUNDING</b>                                   |                            |                            |                            |                            |                            |                            |                            |                            |                            |
| Capital expenditure                                                      |                            |                            |                            |                            |                            |                            |                            |                            |                            |
| - to meet additional demand                                              | 2,350                      | 1,062                      | 2,442                      | 36                         | 823                        | 0                          | 0                          | 116                        | 2,967                      |
| - to improve level of service                                            | 9,749                      | 13,511                     | 6,715                      | 5,506                      | 3,027                      | 4,109                      | 4,972                      | 4,823                      | 2,819                      |
| - to replace existing assets                                             | 9,616                      | 10,328                     | 10,825                     | 11,893                     | 13,124                     | 14,196                     | 15,890                     | 14,757                     | 15,522                     |
| Increase (decrease) in reserves                                          | (1,186)                    | (909)                      | (538)                      | (20)                       | 88                         | 574                        | 244                        | 515                        | 312                        |
| Increase (decrease) of investments                                       | 0                          | 0                          | 0                          | 0                          | 0                          | 0                          | 0                          | 0                          | 0                          |
| <b>Total applications of capital funding [D]</b>                         | <b>20,529</b>              | <b>23,992</b>              | <b>19,445</b>              | <b>17,414</b>              | <b>17,062</b>              | <b>18,879</b>              | <b>21,107</b>              | <b>20,212</b>              | <b>21,619</b>              |
| <b>Surplus (deficit) of capital funding [C - D]</b>                      | <b>(4,705)</b>             | <b>(5,989)</b>             | <b>(7,796)</b>             | <b>(10,793)</b>            | <b>(13,824)</b>            | <b>(15,492)</b>            | <b>(19,797)</b>            | <b>(20,928)</b>            | <b>(21,007)</b>            |
| <b>Funding balance [A - B] + [C - D]</b>                                 | <b>0</b>                   | <b>(1)</b>                 | <b>0</b>                   | <b>(1)</b>                 | <b>2</b>                   | <b>(0)</b>                 | <b>3</b>                   | <b>(1)</b>                 | <b>(1)</b>                 |

# Risks

All of the Activity Management Plans outline detailed assumptions, negative effects and risks for each of the activities. The section below highlights the common risks across all of the asset areas:

Potential risks associated with the Council's activities and assets include:

- Insufficient funding to be able to meet the specified/required levels of service or to carry out required maintenance or renewals.
- Changing/unreasonable/unaffordable customer demands and expectations.
- Changes in the marketplace affecting the availability and cost of goods and services, contractors, and consultants – excessive tender prices/no tenders.
- Damage caused to facilities and assets by natural hazard events (including climate change).
- Unforeseen asset collapse or failure (including the physical failure or incurring of additional whole-of-life costs as a result of alternative maintenance and renewal solutions adopted in an attempt to reduce annual costs).
- Government legislative or regulatory changes (e.g. to building standards or health and safety regulations).
- Failure (through poor forward planning and/or insufficiently specified land development controls or an inability to fund) to have sufficient facilities to meet the demand when it is required.
- Council provides facilities assets in order to meet a forecasted demand that doesn't eventuate either at all or within the timeline envisaged, or occurs in a different form – resulting in unnecessary expenditure, and 'stranded' or inappropriately designed infrastructure.
- A fatal accident occurs due to the standard of the facilities or assets.
- Council isn't (or isn't sufficiently) reimbursed when an insurance loss occurs – because of a lack of understanding of the extent and/or conditions of its insurance cover/inadequate insurance cover (or after the receipt of an insurance payment isn't able to recover from the event quickly).
- Inability to deliver on the proposed capital programme due to insufficient internal and/or external resources to perform the work.
- Substandard contractor performance.

At the moment risks are identified on a project basis and managed by individual managers. As an organisation Council is moving to more formally address these and other risks through a risk management framework.



## Confidence ratings

Council commissioned external providers to evaluate our infrastructure assets and provide confidence ratings. These are outlined below and have been useful in allowing us to prioritise funding to where it is most needed.

Confidence ratings have been assigned to the source data, unit cost rates and to other items as appropriate. The confidence rating used are summarised below:

| Grade | Label           | Description                                                                                                                                                                    | Accuracy |
|-------|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| A     | Highly reliable | Data based on sound records and recognised as the best method of assessment.                                                                                                   | ±5-10%   |
| B     | Reliable        | Large portion of data based on sound records but has minor shortcomings (e.g. old data, some missing documentation, reliance placed on unconfirmed reports and extrapolations) | ±10-15%  |
| C     | Uncertain       | Significant data incomplete, unsupported or extrapolated from a limited sample.                                                                                                | ±15-25%  |
| D     | Very uncertain  | Data based on unconfirmed verbal reports, cursory inspection and judgement of experienced person.                                                                              | ±25-40%  |

*Note: Grading and Description are based on Table 3.5.3 of the "International Infrastructure Management Manual – 2011"*

### Assessed accuracy of 2024 data\*

| Asset Group  | Asset            | Quantity | Optimised Replacement Cost (ORC) | Remaining Useful Life | Optimised Depreciated Replacement Cost (ODRC) |
|--------------|------------------|----------|----------------------------------|-----------------------|-----------------------------------------------|
| Water Supply | Pipes            | A        | B +                              | B                     | B +                                           |
|              | Points           | A        | B +                              | B                     | B +                                           |
|              | Treatment Plants | A        | B                                | B                     | B                                             |
| Wastewater   | Pipes            | A        | B +                              | B                     | B +                                           |
|              | Points           | A        | B +                              | B                     | B +                                           |
|              | Treatment Plants | A        | B                                | B                     | B                                             |
| Stormwater   | Pipes            | A        | B +                              | B                     | B +                                           |
|              | Points           | A        | B +                              | B                     | B +                                           |
|              | Treatment Plants | A        | B                                | B                     | B                                             |

*\*At the time of writing, the 2024 valuation is still being finalised by WSP and so confidence ratings and valuations may change*

| Asset Group        | Description                   | Replacement Cost     | Depreciated value    | Annual Depreciation | Overall Confidence Rating |
|--------------------|-------------------------------|----------------------|----------------------|---------------------|---------------------------|
| <b>Stormwater</b>  |                               | <b>\$145,577,799</b> | <b>\$62,197,640</b>  | <b>\$1,673,338</b>  | <b>B</b>                  |
| sw_line            | Pipelines                     | \$118,314,746        | \$51,032,715         | \$1,301,003         |                           |
| sw_plant           | Structures, pumps, electrical | \$3,149,880          | \$1,355,749          | \$62,815            |                           |
| sw_point           | Service chambers, connections | \$24,113,172         | \$9,809,175          | \$309,520           |                           |
| <b>Wastewater</b>  |                               | <b>\$156,136,356</b> | <b>\$107,899,444</b> | <b>\$2,252,730</b>  |                           |
| ww_line            | Pipelines                     | \$100,463,409        | \$70,270,982         | \$1,091,436         |                           |
| ww_plant           | Structures, pumps, electrical | \$38,231,010         | \$26,105,954         | \$947,269           |                           |
| ww_point           | Service chambers, connections | \$17,441,936         | \$11,522,508         | \$214,024           |                           |
| <b>Water</b>       |                               | <b>\$106,558,356</b> | <b>\$51,950,568</b>  | <b>\$1,574,493</b>  |                           |
| ws_line            | Pipelines                     | \$78,223,789         | \$41,482,019         | \$976,607           |                           |
| ws_plant           | Structures, pumps, electrical | \$19,703,955         | \$7,047,534          | \$345,349           |                           |
| ws_point           | Service chambers, connections | \$8,630,612          | \$3,421,015          | \$252,537           |                           |
| <b>Grand Total</b> |                               | <b>\$408,272,510</b> | <b>\$222,047,651</b> | <b>\$5,500,560</b>  |                           |
|                    |                               |                      |                      |                     | <b>By WSP</b>             |

## Transport

All data used for the roading valuation has been carried out in 2023 and reviewed by Beca staff to determine that the quality and consistency of the data is acceptable for the valuation process.

| Confidence Grade | Label                                     | General meaning                                                                                                                                                                                                                                                |
|------------------|-------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A<br>Very high   | Highly reliable <2% uncertainty           | Data based on sound records, procedure, investigations and analysis which is properly documented and recognised as the best method of assessment.                                                                                                              |
| B<br>High        | Reliable +/- 2-10% uncertainty            | Data based on sound records, procedure, investigations and analysis which is properly documented but has minor short comings; for example, the data is old, some documentation is missing, and reliance is placed on unconfirmed reports of some extrapolation |
| C<br>Medium      | Reasonably reliable +/-10-25% uncertainty | Data based on sound records, procedure, investigations and analysis which is properly documented but has shortcomings for example the data is old, some documentation is missing and reliance is placed on unconfirmed reports or significant extrapolation.   |
| D<br>Low         | Uncertain +/- 25-50% uncertainty          | Data based on uncertain records, procedures, investigations, and analysis which is incomplete or unsupported, or extrapolation from a limited sample for which grade A or B is available.                                                                      |
| E<br>Very Low    | Very uncertain >50% uncertainty           | Data based on unconfirmed verbal reports and/or cursory inspection and analysis.                                                                                                                                                                               |

| Asset Category        | Component                   | Type/material | Dimensions | Construction / Installation Date |
|-----------------------|-----------------------------|---------------|------------|----------------------------------|
| Formation             | Formation                   | A             | A          | B                                |
| Sealed Pavement       | Sealed Pavement Surfaces    | A             | A          | A                                |
|                       | Sealed Pavement Structure   | A             | A          | B                                |
|                       | Unsealed Pavement Structure | A             | A          | C                                |
| Unsealed Pavement     | Unsealed Pavement Structure | A             | A          | C                                |
| Drainage              | Drainage                    | B             | D          | E                                |
| Surface Water Channel | Surface Water Channel       | A             | A          | E                                |
| Footpaths             | Footpaths                   | A             | A          | C                                |
| Traffic Facilities    | Signs                       | B             | B          | E                                |
|                       | Railings                    | A             | A          | E                                |

|                            |                     |   |   |   |
|----------------------------|---------------------|---|---|---|
|                            | Markings            | A | A | A |
|                            | Islands             | B | B | D |
|                            | EMPs                | B | B | E |
| Streetlights               | Streetlight (Pole)  | A | A | B |
|                            | Streetlight (Light) | A | A | A |
| Bridges and Major Culverts | Retaining Walls     | A | A | C |
|                            | Bridges             | A | A | A |
|                            | Culverts            | A | B | A |
|                            | Footbridges         | B | B | B |

# Appendix 1 – Levels of Service

## Water Supply

| What we're measuring                                            | How we'll measure                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Target                                    |                                           |                                       |                                       |                                                                        |
|-----------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|-------------------------------------------|---------------------------------------|---------------------------------------|------------------------------------------------------------------------|
|                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Current Performance (2023/2024)           | Year 1 (2025/2026)                        | Years 2 – 3 (2026/2027 – 2027/2028)   | Years 4 – 9 (2028/2029 to 2033/2034)  | Target Trend (years 1-9)                                               |
| Performance measure 1 - Safety of drinking water                | The extent to which the local authority's drinking water supply complies with the following parts of the drinking water quality assurance rules:<br>4.4 T1 Treatment Rules<br>4.5 D1.1 Distribution System Rule<br>4.7.1 T2 Treatment Monitoring Rules<br>4.7.2 T2 Filtration Rules<br>4.7.3 T2 UV Rules<br>4.7.4 T2 Chlorine Rules<br>4.8 D2.1 Distribution System Rule<br>4.10.1 T3 Bacterial Rules<br>4.10.2 T3 Protozoal Rules<br>4.11.5 D3.29 Microbiological Monitoring Rule | Greater Greymouth scheme:<br>Not achieved | Greater Greymouth scheme:<br>Not achieved | Greater Greymouth scheme:<br>Achieved | Greater Greymouth scheme:<br>Achieved | Improving (Upgrading our water treatment plants to achieve compliance) |
|                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Blackball Scheme:<br>Not achieved         | Blackball Scheme:<br>Not achieved         | Blackball Scheme:<br>Not Achieved     | Blackball Scheme:<br>Achieved         |                                                                        |
| Performance measure 2 - Maintenance of the reticulation network | The percentage of real water loss from the local authority's networked reticulation system<br><br>Council will use water meter information, bulk production meters and any other information available to complete a desktop analysis of real water loss over the reporting year.<br><br>NOTE: This is to be broken down by water scheme – Greater Greymouth and Blackball, targets per scheme to come                                                                             |                                           |                                           |                                       |                                       |                                                                        |
|                                                                 | Greymouth Greater                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 65%                                       | 65%                                       | 55%                                   | 45%                                   |                                                                        |

| What we're measuring                          | How we'll measure                                                                                                                                                                                                                                                                                                                                              | Target                                                                    |                                                                         |                                                                          |                                                                          |                                        |
|-----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------------------------|--------------------------------------------------------------------------|----------------------------------------|
|                                               |                                                                                                                                                                                                                                                                                                                                                                | Current Performance (2023/2024)                                           | Year 1 (2025/2026)                                                      | Years 2 – 3 (2026/2027 – 2027/2028)                                      | Years 4 – 9 (2028/2029 to 2033/2034)                                     | Target Trend (years 1-9)               |
|                                               | Blackball                                                                                                                                                                                                                                                                                                                                                      | 42%                                                                       | 42%                                                                     | 39%                                                                      | 35%                                                                      | Improving (Decreasing water loss)      |
| Performance measure 3 – Fault response times  | Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured:<br><br>Attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site                       | 17.57 hours                                                               | 1 hour                                                                  | 1 hour                                                                   | 1 hour                                                                   | Maintain                               |
|                                               | Resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.                                                                                                                                                                               | 19.21 hours                                                               | 5 hours                                                                 | 5 hours                                                                  | 4 hours                                                                  | Improving (Decreasing resolution time) |
|                                               | Attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site                                                                                                                                                                                                            | 47.27 hours                                                               | 1.5 working days                                                        | 1.5 working days                                                         | 1.5 working days                                                         | Maintain                               |
|                                               | Resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption                                                                                                                                                                            | 43.22 hours                                                               | 5 working days                                                          | 5 working days                                                           | 3 working days                                                           | Improving (Decreasing resolution time) |
| Performance measure 4 - Customer Satisfaction | The total number of complaints received by the local authority about any of the following: <ul style="list-style-type: none"> <li>drinking water clarity</li> <li>drinking water taste</li> <li>drinking water odour</li> <li>drinking water pressure or flow</li> <li>continuity of supply, and</li> <li>Council's response to any of these issues</li> </ul> | Total complaints: 51<br><br>Per 1,000 properties: 9.7 (5,233 connections) | Total complaints: 147<br>Per 1,000 properties: 27.9 (5,268 connections) | Total complaints: 133<br>Per 1,000 properties: 25.25 (5,268 connections) | Total complaints: 123<br>Per 1,000 properties: 23.35 (5,268 connections) | Improving (Decreasing complaints)      |

| What we're measuring                      | How we'll measure                                                                        | Target                             |                                 |                                        |                                         |                                     |
|-------------------------------------------|------------------------------------------------------------------------------------------|------------------------------------|---------------------------------|----------------------------------------|-----------------------------------------|-------------------------------------|
|                                           |                                                                                          | Current Performance<br>(2023/2024) | Year 1<br>(2025/2026)           | Years 2 – 3<br>(2026/2027 – 2027/2028) | Years 4 – 9<br>(2028/2029 to 2033/2034) | Target Trend<br>(years 1-9)         |
|                                           | expressed per 1,000 connections to Council's reticulation system.                        |                                    |                                 |                                        |                                         |                                     |
| Performance measure 5 - Demand Management | The average consumption of drinking water per day per resident within the Grey District. | 741 litres per person per day      | < 640 litres per person per day | < 640 litres per person per day        | < 550 litres per person per day         | Improving<br>(Decreasing water use) |

## Wastewater

| What we're measuring                          | How we'll measure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Target                                          |                                      |                                      |                                      |                                                    |
|-----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|----------------------------------------------------|
|                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Current Performance (2023/24)                   | Year 1 (2025/26)                     | Years 2 – 3 (2026/2027 – 2027/28)    | Years 4 – 9 (2028/29 to 2033/34)     | Target Trend (years 1-9)                           |
| Performance measure 1 (system and adequacy)   | The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system.                                                                                                                                                                                                                                                                                                                                                                         | Total overflows: 9<br>Per 1,000 properties: 1.8 | Total overflows: 9                   | Total overflows: 9                   | Total overflows: 8                   | Improving<br>(decreasing complaints)               |
| Performance measure 2 (discharge compliance)  | Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of:<br>(a) abatement notices<br>(b) infringement notices<br>(c) enforcement orders, and<br>(d) convictions,<br>received by the territorial authority in relation those resource consents.                                                                                                                                                                                                                   | (a) 2<br>(b) 1<br>(c) Nil<br>(d) Nil            | (a) 2<br>(b) 1<br>(c) Nil<br>(d) Nil | (a) 2<br>(b) 1<br>(c) Nil<br>(d) Nil | (a) 2<br>(b) 1<br>(c) Nil<br>(d) Nil | No change                                          |
| Performance measure 3 (fault response times)  | Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured:<br>(a) attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site, and<br>(b) resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault. | 39 minutes<br>2.16 hours                        | 1 hour<br>5 hours                    | 1 hour<br>5 hours                    | 1 hour<br>4 hours                    | Improving<br>(decreasing time to resolve problems) |
| Performance measure 4 (customer satisfaction) | The total number of complaints received by the territorial authority about any of the following:<br>(a) sewage odour                                                                                                                                                                                                                                                                                                                                                                                                                    | (a) 2<br>(b) 1<br>(c) Nil                       | (a) 2<br>(b) 1<br>(c) Nil            | (a) 2<br>(b) 1<br>(c) Nil            | (a) 2<br>(b) 1<br>(c) Nil            | No change                                          |



|  |                                                                                                                                                  |         |         |         |         |  |
|--|--------------------------------------------------------------------------------------------------------------------------------------------------|---------|---------|---------|---------|--|
|  | (b) sewerage system faults<br>(c) sewerage system blockages, and<br>(d) the territorial authority's response to issues with its sewerage system, | (d) Nil | (d) Nil | (d) Nil | (d) Nil |  |
|--|--------------------------------------------------------------------------------------------------------------------------------------------------|---------|---------|---------|---------|--|

## Stormwater

| What we're measuring                          | How we'll measure                                                                                                                                                                                                                                                                                                        | Target                                            |                                                        |                                                        |                                                        |                             |
|-----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|--------------------------------------------------------|--------------------------------------------------------|--------------------------------------------------------|-----------------------------|
|                                               |                                                                                                                                                                                                                                                                                                                          | Current Performance<br>(2023/24)                  | Year 1<br>(2025/26)                                    | Years 2 – 3<br>(2026/2027 – 2027/28)                   | Years 4 – 9<br>(2028/29 to 2033/34)                    | Target Trend<br>(years 1-9) |
| Performance measure 1 (system adequacy)       | (a) The number of flooding events that occur in a territorial authority district.<br>(b) For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's stormwater system.)                                                                   | Nil<br><br>Nil                                    | 2<br><br>Total floors: 2<br>Per 1,000 properties: 0.32 | 3<br><br>Total floors: 2<br>Per 1,000 properties: 0.32 | 4<br><br>Total floors: 2<br>Per 1,000 properties: 0.32 | No change                   |
| Performance measure 2 (discharge compliance)  | Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of:<br>(a) abatement notices<br>(b) infringement notices<br>(c) enforcement orders, and<br>(d) convictions,<br>received by the territorial authority in relation those resource consents. | (a) 2<br>(b) 1<br>(c) Nil<br>(d) Nil              | (a) 2<br>(b) 1<br>(c) Nil<br>(d) Nil                   | (a) 2<br>(b) 1<br>(c) Nil<br>(d) Nil                   | (a) 2<br>(b) 1<br>(c) Nil<br>(d) Nil                   | No change                   |
| Performance measure 3 (response times)        | The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site.                                                                                                                                      | Nil                                               | 3 hours                                                | 3 hours                                                | 3 hours                                                | No change                   |
| Performance measure 4 (customer satisfaction) | The number of complaints received by a territorial authority about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority's stormwater system.                                                                                                                   | Total complaints: 60<br>Per 1,000 properties: 7.7 | Total complaints: 60<br>Per 1,000 properties: 7.7      | Total complaints: 60<br>Per 1,000 properties: 7.7      | Total complaints: 60<br>Per 1,000 properties: 7.7      | Improving / decreasing      |

## Transportation

| What we're measuring                                 | How we'll measure                                                                                                                                                                                                                      | Target                          |                        |                                     |                                      |                          |
|------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|------------------------|-------------------------------------|--------------------------------------|--------------------------|
|                                                      |                                                                                                                                                                                                                                        | Current Performance (2023/2024) | Year 1 (2025/2026)     | Years 2 – 3 (2026/2027 – 2027/2028) | Years 4 – 9 (2028/2029 to 2033/2034) | Target Trend (years 1-9) |
| Performance measure 1 - Road safety                  | Change in number of fatalities/serious injury crashes from previous year on local roads (m)<br>2023/2024 – 8 fatal/serious injury crashes<br>2022/2023 – 2 fatal/serious injury crashes<br>2021/2022 – No fatal/serious injury crashes | +6                              | Reduction > 1          | Reduction > 1                       | Reduction > 1                        | Decrease / Maintain      |
| Performance measure 2 – Road condition               | % of roads which meet smooth roads standard                                                                                                                                                                                            | 91%                             | 90%                    | 90%                                 | 90%                                  | Maintain                 |
| Performance measure 3 – Road maintenance             | % of sealed road network resurfaced per year                                                                                                                                                                                           | 4%                              | 5%<br>(3 year average) | 5%<br>(3 year average)              | 5%<br>(3 year average)               | Maintain                 |
| Performance measure 4 - Footpaths                    | % of footpaths at service standard of "fair" or better (as measured against condition ratings set in Combined West Coast Land Transport AMP)                                                                                           | 81%                             | 80%                    | 80%                                 | 80%                                  | Maintain                 |
| Performance measure 5 – Response to service requests | % of customer requests responded to within 10 working days                                                                                                                                                                             | 73%                             | 87%                    | 87%                                 | 87%                                  | Maintain                 |
| Customer satisfaction                                | % of residents are satisfied with Council's roading network                                                                                                                                                                            | 69%                             | 72%                    | 72%                                 | 72%                                  | Maintain                 |
|                                                      | % of residents are satisfied with the way local roads are maintained                                                                                                                                                                   | 55%                             | 54%                    | 54%                                 | 54%                                  | Maintain                 |
|                                                      | % of residents are satisfied with the way footpaths are maintained                                                                                                                                                                     | 34%                             | 50%                    | 50%                                 | 50%                                  | Maintain                 |
| Bridges                                              | % of bridges posted more than Class 1 – 44 tonnes                                                                                                                                                                                      | 91%                             | 93%                    | 93%                                 | 93%                                  | Maintain                 |
|                                                      | % of bridges can cross 50 MAX or HPMV                                                                                                                                                                                                  | 90.38%                          | 61%                    | 61%                                 | 61%                                  | Maintain                 |

## Community and Recreation Facilities

### Grey District Library

| What we're measuring        | How we'll measure                                         | Target                           |                     |                                    |                                     |                             |
|-----------------------------|-----------------------------------------------------------|----------------------------------|---------------------|------------------------------------|-------------------------------------|-----------------------------|
|                             |                                                           | Current Performance<br>(2023/24) | Year 1<br>(2025/26) | Years 2 – 3<br>(2026/27 – 2027/28) | Years 4 – 9<br>(2028/29 to 2033/34) | Target Trend<br>(years 1-9) |
| Facility amenity maintained | Annual maintenance programme scheduled and delivered      | New                              | 100%                | 100%                               | 100%                                | Maintain                    |
| Community participation     | Annual programme of activities is scheduled and delivered | New                              | 100%                | 100%                               | 100%                                | Maintain                    |

### Westland Recreation Centre

| What we're measuring        | How we'll measure                                         | Target                           |                                    |                                    |                                     |                             |
|-----------------------------|-----------------------------------------------------------|----------------------------------|------------------------------------|------------------------------------|-------------------------------------|-----------------------------|
|                             |                                                           | Current Performance<br>(2023/24) | Year 1<br>(2025/26)                | Years 2 – 3<br>(2026/27 – 2027/28) | Years 4 – 9<br>(2028/29 to 2033/34) | Target Trend<br>(years 1-9) |
| Quality and safety of pools | Maintain Poolsafe Accreditation                           | New                              | Accreditation status is maintained | Accreditation status is maintained | Accreditation status is maintained  | Maintain                    |
| Facility amenity maintained | Annual maintenance programme scheduled and delivered      | New                              | 100%                               | 100%                               | 100%                                | Maintain                    |
| Amenity maintained          | Fitness centre: Availability of fit for purpose equipment | New                              | 95%                                | 95%                                | 95%                                 | Maintain                    |

### Cemeteries

| What we're measuring | How we'll measure | Target                           |                     |             |             |                             |
|----------------------|-------------------|----------------------------------|---------------------|-------------|-------------|-----------------------------|
|                      |                   | Current Performance<br>(2023/24) | Year 1<br>(2025/26) | Years 2 – 3 | Years 4 – 9 | Target Trend<br>(years 1-9) |

|                               |                                                         |     |     | (2026/27 – 2027/28) | (2028/29 to 2033/34) |            |
|-------------------------------|---------------------------------------------------------|-----|-----|---------------------|----------------------|------------|
| Visitor satisfaction          | % of visitors are satisfied with cemetery aesthetics    | 66% | 75% | 78%                 | 80%                  | Increasing |
| Response to customer requests | Response to interment applications within 1 working day | New | 95% | 95%                 | 95%                  | No change  |
|                               | Issue monument permits within 1 working day             | New | 95% | 95%                 | 95%                  | No change  |

### Parks, Reserves and Public Spaces

| What we're measuring  | How we'll measure                         | Target                           |                     |                                    |                                     |                             |
|-----------------------|-------------------------------------------|----------------------------------|---------------------|------------------------------------|-------------------------------------|-----------------------------|
|                       |                                           | Current Performance<br>(2023/24) | Year 1<br>(2025/26) | Years 2 – 3<br>(2026/27 – 2027/28) | Years 4 – 9<br>(2028/29 to 2033/34) | Target Trend<br>(years 1-9) |
| Resident satisfaction | % of residents are satisfied with service | 75%                              | 80%                 | 80%                                | 80%                                 | Maintain                    |

### Events

| What we're measuring    | How we'll measure                                          | Target                           |                     |                                    |                                     |                             |
|-------------------------|------------------------------------------------------------|----------------------------------|---------------------|------------------------------------|-------------------------------------|-----------------------------|
|                         |                                                            | Current Performance<br>(2023/24) | Year 1<br>(2025/26) | Years 2 – 3<br>(2026/27 – 2027/28) | Years 4 – 9<br>(2028/29 to 2033/34) | Target Trend<br>(years 1-9) |
| Community participation | Plan and schedule and annual programme of community events | New                              | 100%                | 100%                               | 100%                                | Maintain                    |

### Commercial and Property Portfolio

#### Port

| What we're measuring                           | How we'll measure   | Target                           |                     |                                    |                                     |                             |
|------------------------------------------------|---------------------|----------------------------------|---------------------|------------------------------------|-------------------------------------|-----------------------------|
|                                                |                     | Current Performance<br>(2023/24) | Year 1<br>(2025/26) | Years 2 – 3<br>(2026/27 – 2027/28) | Years 4 – 9<br>(2028/29 to 2033/34) | Target Trend<br>(years 1-9) |
| Minimum number of Grey Bar soundings per annum | Number of soundings | New                              | 2                   | 2                                  | 2                                   | Maintain                    |

|                     |                                                                |     |        |        |        |          |
|---------------------|----------------------------------------------------------------|-----|--------|--------|--------|----------|
| Slipway maintenance | Days available for boat maintenance per annum                  | New | 95%    | 95%    | 95%    | Maintain |
| Dredging            | Volume of sediment and debris removed per annum (cubic metres) | New | 25,000 | 25,000 | 15,000 | Maintain |

## Retirement Housing

| What we're measuring                                                                 | How we'll measure                                    | Target                           |                     |                                    |                                     |                             |
|--------------------------------------------------------------------------------------|------------------------------------------------------|----------------------------------|---------------------|------------------------------------|-------------------------------------|-----------------------------|
|                                                                                      |                                                      | Current Performance<br>(2023/24) | Year 1<br>(2025/26) | Years 2 – 3<br>(2026/27 – 2027/28) | Years 4 – 9<br>(2028/29 to 2033/34) | Target Trend<br>(years 1-9) |
| An affordable, well maintained, and efficient retirement housing service is provided | Achievement of minimum percentage of occupancy rates | 99.50%                           | 95%                 | 95%                                | 95%                                 | No change                   |
| Compliance with Healthy Home Standards                                               | Percentage of homes that meet standards              | New Measure                      | 100%                | 100%                               | 100%                                | Maintain                    |
| Housing Inspections                                                                  | Biannual inspections                                 | New Measure                      | 98%                 | 98%                                | 98%                                 | Maintain                    |

## Public Restrooms

| What we're measuring | How we'll measure | Target                           |                     |                                    |                                      |                              |
|----------------------|-------------------|----------------------------------|---------------------|------------------------------------|--------------------------------------|------------------------------|
|                      |                   | Current Performance<br>(2023/24) | Year 1<br>(2025/26) | Years 2 – 3<br>(2026/27 – 2027/28) | Years 4 – 10<br>(2028/29 to 2033/34) | Target Trend<br>(years 1-10) |

|                  |                                                            |     |     |     |     |          |
|------------------|------------------------------------------------------------|-----|-----|-----|-----|----------|
| Restroom amenity | Audits of restroom cleaning                                | New | 95% | 95% | 95% | Maintain |
| Restroom amenity | Customer cleanliness service requests within 1 working day | New | 95% | 95% | 95% | Maintain |

Refuse and Recycling

| What we’re measuring                                                                      | How we’ll measure                                | Target                           |                     |                                      |                                      |                              |
|-------------------------------------------------------------------------------------------|--------------------------------------------------|----------------------------------|---------------------|--------------------------------------|--------------------------------------|------------------------------|
|                                                                                           |                                                  | Current Performance<br>(2023/24) | Year 1<br>(2025/26) | Years 2 – 3<br>(2026/2027 – 2027/28) | Years 4 – 10<br>(2028/29 to 2033/34) | Target Trend<br>(years 1-10) |
| Facilities and services are managed without adversely affecting the receiving environment | Maximum number of resource consent infringements | Nil                              | Nil                 | Nil                                  | Nil                                  | No change                    |
|                                                                                           | Medium monthly recycling residual waste %        | New                              | 40%                 | 38%                                  | 35%                                  | Decreasing                   |
|                                                                                           | % of waste is recycled                           | 19%                              | 20%                 | 22%                                  | 30%                                  | Improving                    |



# PART E: Council Activities

# Land transport

Also refer to PART D: Infrastructure Strategy for more information on this activity.

## Activities included in this group

Land Transport includes the following key functions:

- Council roads, including associated facilities such as streetlights, cycleways and lanes and road signs (State Highways excluded as they are the responsibility of the New Zealand Transport Agency (NZTA))
- Footpaths
- Bridges and large culverts
- Bus shelters
- Promotion of road safety

The car parking function is dealt with under the 'Commercial & Property section.

The management and maintenance of the Greymouth to Taramakau Bridge section of the West Coast Wilderness Trail) is included in this activity.

## Why we are involved in this activity

Council provides sealed roads (including bridges where necessary), footpaths, bus shelters and streetlights so that motor vehicles, bicycles and pedestrians can travel efficiently and safely.

Modern society cannot function without access. Access is important as it enables the convenient movement of people and goods to places of work, trade, health services, education and recreation.

Promotion of road safety is also important to avoid damage to property, injury and deaths while people are using land transport infrastructure.

## Contribution to Council’s Vision and Outcomes

| OUTCOME                              | CONTRIBUTION                                                                                                                                                                                                                                                                                                                                                                                          |
|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Economic Wellbeing</b>            |                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Strong Sustainable Prosperous</b> | <ul style="list-style-type: none"><li>• Well maintained roading and bridge network to provide access within the district.</li><li>• Well maintained footpaths to provide access.</li></ul>                                                                                                                                                                                                            |
| <b>Social Wellbeing</b>              |                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Safe</b>                          | <ul style="list-style-type: none"><li>• The well-maintained roading network, cycle lanes, footpaths, cycleways ensure safe travel for motorists, pedestrians and cyclists.</li><li>• Streetlights and lighting for community safety.</li><li>• The provision of bus shelters for safety of school children.</li><li>• Road safety promotion activities enhance the safety of the community.</li></ul> |
| <b>Connected</b>                     | Well maintained roading network, footpaths, cycle lanes and cycle paths for connection to activities, businesses, communities and industry.                                                                                                                                                                                                                                                           |

## What we’ll provide

A summary of Council’s roading infrastructure is as follows:

| Land Transport Component                            |           | Quantity   |
|-----------------------------------------------------|-----------|------------|
| Roads (Council roads do not include State Highways) |           |            |
| Urban                                               | km        | 127        |
| Rural                                               | km        | 484        |
| <b>Total</b>                                        | <b>km</b> | <b>611</b> |
| Footpaths                                           | km        | 107.7      |
| Bridges and Large Culverts                          | number    | 209        |
| Street Lights                                       | number    | 1,458      |
| Bus Shelters                                        | number    | 43         |
| Separated Walking and Cycling Pathways              | km        | 22.231     |

Council will undertake the following:

- On-going maintenance of land transport assets (i.e. roads, footpaths etc).
- Annual road and footpath resurfacing.
- Annual road and footpath construction and pavement surfacing.
- Annual safety works.
- Provision and maintenance of pedestrian crossings, street name signs, street lighting and traffic sign maintenance.
- Participation as a member of the Regional Road Safety Committee.
- Participation as a member of the Regional Technical Advisor Group for the Regional Land Transport Committee.
- Participation as a member of the Regional Land Transport Committee.

## Issues and options facing the activities

| ISSUE                                                                                                                                                                                                                                                           | OPTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>Deferred renewals for bridges.</b><br>Eight bridges have been identified for replacement on an urgent basis and a further 14 bridges have been identified to be replaced in the next ten years.<br>Total replacement cost is estimated to be \$7.68 million. | 1. Using condition based assessments plan for replacement of bridges and renewal bridge and structure components. \$6.1 million has been set aside for deferred renewals over the life of the plan.<br>2. Using information from seismic review and data from truck load assessments to create prioritisation list for renewal/replacement.<br>3. Investigate where structural components need replacing versus full bridge replacement.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | ✓                          | ✓                            | ✓                        |
| <b>Reduced funding from NZTA for the subsidised footpath maintenance and renewals programme.</b>                                                                                                                                                                | 1. Consult with the community on contributing \$250,000 of rate funding to maintain current level of service<br>2. Carry out renewals based on prioritisation programme where the need is deemed most critical.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | ✓                          | ✓                            | ✓                        |
| <b>The changing function of the network over time means there are pockets of infrastructure that are no longer fit for purpose, eg age/condition of critical assets, crashes, understrength bridges (seismic resilience/heavy traffic).</b>                     | 1. Reinstate/maintain/increase capacity/service at sites and locations where there are confirmed gaps in levels of service, e.g. improve strength of existing bridges, replace if at end of economic life. Prioritise areas for renewals based on the importance of the infrastructure to consumers and other critical factors.<br>2. Maintain quality of asset components so they remain fit for purpose.<br>3. Defer renewals.<br>4. Rationalise the road network and road assets, where possible based on the One Network Framework to ensure funding goes to areas of greatest need.<br>5. Post bridges to reduce loading impact for safety reasons.<br>6. Use safety signage and other means (reduced posted speed limits), safety guard rails to reduce impact and safety issues on roads.<br>7. More cost effective materials, operations and construction methods, ie concrete line existing pipes.<br>8. Continue to lobby Waka Kotahi - NZTA for increased financial assistance rates based on evidence and identified needs. | ✓                          | ✓                            | ✓                        |
| <b>Resilience of key roading assets, especially bridges, needs to be improved to mitigate potential damage from natural hazards, eg earthquakes.</b>                                                                                                            | 1. Carry out upgrade works based on priorities established from condition assessments. \$6.1 million has been included in the budget to address deferred renewals.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | ✓                          | ✓                            | ✓                        |
|                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | ✓                          | ✓                            | ✓                        |

| ISSUE                                                                                                                                                                                                                                                                                                                                           | OPTIONS                                                                                                                                                                                                                                                                                                                                                                                                               | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>The increasing intensity and number of natural events impacts on the security of the network and raises the risk of isolated communities (increasing extreme events, high temperatures, rainfall, road closures).</b>                                                                                                                        | <ol style="list-style-type: none"> <li>1. Maintain network asset quality to ensure they remain fit for purpose to the best of Council's ability including ensuring when assets are replaced they take into account capacity and durability requirements relating to climate change</li> <li>2. Ensure contracting resources are available to keep roads open or reopened as soon as possible after events.</li> </ol> | ✓                          | ✓                            | ✓                        |
| <b>A constrained transport network.</b><br>This inhibits the potential for economic development and reliability, as well as heightening the potential for conflict between increasingly different user types in the form of crashes (eg productivity of commercial vehicles, crashes, complaints/service requests, increasing tourist traffic). | <ol style="list-style-type: none"> <li>1. Monitor trends in the mix and volume of road users and crashes.</li> <li>2. Develop and provide solutions where identified issues are occurring such as signage, safety improvements, widened roads, encouraging alternative transport modes (ride sharing, public transport, walking, cycling), strengthening road asset components.</li> </ol>                            | ✓                          | ✓                            | ✓                        |

Please also refer to PART C: Council's Financial Strategy and PART D: Infrastructure Strategy for additional information on this activity.

### Options for community consultation

As part of the community consultation we'll be undertaking on the Draft Plan, the following is a summary of information that will be provided on options for material issues and the implications of each for community feedback. Full details can be found in the Consultation Document.

| Issue                                                                                                                                                                                                                                                                                                                       | Option                                                                                                                                                   | Implications/Impacts                                                                                                                                                                                                                                                                                                                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Our funding from Waka Kotahi New Zealand Transport Agency was less than in previous years. This impacts our subsidised footpath and cycleways renewals and maintenance programme - to maintain the existing programme and level of service, Council is proposing to input \$250,000 of rate funding to the activity.</b> | 1 Put \$250,000 of rates funding towards the subsidised footpath and cycleways maintenance and renewal programme.<br><b>[Council's preferred option]</b> | <ul style="list-style-type: none"> <li>• Maintains the current level of service provided.</li> <li>• Meets the wishes of the community (as expressed in the Resident Satisfaction Survey).</li> <li>• Increases the general rate by \$250,000, which equates to approximately 1% of the forecast rates increase in year 1.</li> </ul>         |
|                                                                                                                                                                                                                                                                                                                             | 2 Do not provide any rates input to the subsidised footpath and cycleways maintenance and renewals programme.                                            | <ul style="list-style-type: none"> <li>• The current footpath maintenance and renewal programme is reduced to fit the available funding NZTA, which would constitute a reduction in the level of service provided.</li> <li>• Decreased levels of satisfaction with the service from the community.</li> <li>• No impact on rates.</li> </ul> |

## How we'll measure our performance

| What we're measuring                                 | How we'll measure                                                                                                                                                                                                                      | Target                             |                        |                                        |                                         |                             |
|------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------|----------------------------------------|-----------------------------------------|-----------------------------|
|                                                      |                                                                                                                                                                                                                                        | Current Performance<br>(2023/2024) | Year 1<br>(2025/2026)  | Years 2 – 3<br>(2026/2027 – 2027/2028) | Years 4 – 9<br>(2028/2029 to 2033/2034) | Target Trend<br>(years 1-9) |
| Performance measure 1 - Road safety                  | Change in number of fatalities/serious injury crashes from previous year on local roads (m)<br>2023/2024 – 8 fatal/serious injury crashes<br>2022/2023 – 2 fatal/serious injury crashes<br>2021/2022 – No fatal/serious injury crashes | +6                                 | Reduction > 1          | Reduction > 1                          | Reduction > 1                           | Decrease / Maintain         |
| Performance measure 2 – Road condition               | % of roads which meet smooth roads standard                                                                                                                                                                                            | 91%                                | 90%                    | 90%                                    | 90%                                     | Maintain                    |
| Performance measure 3 – Road maintenance             | % of sealed road network resurfaced per year                                                                                                                                                                                           | 4%                                 | 5%<br>(3 year average) | 5%<br>(3 year average)                 | 5%<br>(3 year average)                  | Maintain                    |
| Performance measure 4 - Footpaths                    | % of footpaths at service standard of "fair" or better (as measured against condition ratings set in Combined West Coast Land Transport AMP)                                                                                           | 81%                                | 80%                    | 80%                                    | 80%                                     | Maintain                    |
| Performance measure 5 – Response to service requests | % of customer requests responded to within 10 working days                                                                                                                                                                             | 73%                                | 87%                    | 87%                                    | 87%                                     | Maintain                    |
| Customer satisfaction                                | % of residents are satisfied with Council's roading network                                                                                                                                                                            | 69%                                | 72%                    | 72%                                    | 72%                                     | Maintain                    |
|                                                      | % of residents are satisfied with the way local roads are maintained                                                                                                                                                                   | 55%                                | 54%                    | 54%                                    | 54%                                     | Maintain                    |
|                                                      | % of residents are satisfied with the way footpaths are maintained                                                                                                                                                                     | 34%                                | 50%                    | 50%                                    | 50%                                     | Maintain                    |
| Bridges                                              | % of bridges posted more than Class 1 – 44 tonnes                                                                                                                                                                                      | 91%                                | 93%                    | 93%                                    | 93%                                     | Maintain                    |
|                                                      | % of bridges can cross 50 MAX or HPMV                                                                                                                                                                                                  | 90.38%                             | 61%                    | 61%                                    | 61%                                     | Maintain                    |

Mandatory performance measure as per Department of Internal Affairs Non-Financial Performance Measures Rules 2024.

## Financial information

### Activity funding

These activities are mainly funded by:

### Rates

- The District requires an efficient transport network for economic viability, so there is a mix of direct benefit to the users of the network and general benefit to the whole District. It is therefore deemed most appropriate for the rates share to be met by way of a general rate set differentially across the District.

### Subsidies and grants

- Council receives financial assistance from New Zealand Transport Agency (NZTA) towards the maintenance, renewal and additions to the roading network.

## Funding impact statement

|                                                                       | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|-----------------------------------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>[A] SOURCES OF OPERATING FUNDING</b>                               |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| General rates, uniform annual general charges, rates penalties        | 3,446                        | 2,731                       | 3,598                       | 4,002                       | 4,073                       | 3,910                       | 3,995                       | 3,937                       | 4,012                       | 4,497                       |
| Targeted rates                                                        | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Subsidies and grants for operating purposes                           | 2,175                        | 3,296                       | 3,437                       | 3,543                       | 3,664                       | 3,771                       | 3,875                       | 3,979                       | 4,070                       | 4,164                       |
| Fees and charges                                                      | 34                           | 60                          | 61                          | 63                          | 64                          | 66                          | 67                          | 69                          | 70                          | 72                          |
| Internal charges and overheads recovered                              | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Local authorities fuel tax, fines, infringement fees & other receipts | 346                          | 221                         | 225                         | 231                         | 237                         | 243                         | 248                         | 254                         | 259                         | 264                         |
| <b>Total sources of operating funding [A]</b>                         | <b>6,001</b>                 | <b>6,308</b>                | <b>7,321</b>                | <b>7,838</b>                | <b>8,038</b>                | <b>7,989</b>                | <b>8,186</b>                | <b>8,238</b>                | <b>8,410</b>                | <b>8,996</b>                |
| <b>[B] APPLICATIONS OF OPERATING FUNDING</b>                          |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Payments to staff and suppliers                                       | 3,827                        | 4,452                       | 4,532                       | 4,655                       | 4,771                       | 4,886                       | 4,998                       | 5,108                       | 5,215                       | 5,320                       |
| Finance costs                                                         | 4                            | 0                           | 26                          | 22                          | 18                          | 12                          | 7                           | (0)                         | (0)                         | (0)                         |
| Internal charges and overheads applied                                | 1,071                        | 795                         | 874                         | 919                         | 954                         | 994                         | 1,032                       | 1,071                       | 1,092                       | 1,113                       |
| Other operating funding applications                                  | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total applications of operating funding [B]</b>                    | <b>4,902</b>                 | <b>5,248</b>                | <b>5,432</b>                | <b>5,595</b>                | <b>5,743</b>                | <b>5,892</b>                | <b>6,037</b>                | <b>6,178</b>                | <b>6,307</b>                | <b>6,433</b>                |
| <b>Surplus/(deficit) of operating funding [A] - [B]</b>               | <b>1,099</b>                 | <b>1,060</b>                | <b>1,889</b>                | <b>2,243</b>                | <b>2,295</b>                | <b>2,097</b>                | <b>2,149</b>                | <b>2,060</b>                | <b>2,103</b>                | <b>2,563</b>                |
| <b>[C] SOURCES OF CAPITAL FUNDING</b>                                 |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Subsidies and grants for capital expenditure                          | 3,569                        | 2,250                       | 2,344                       | 2,407                       | 2,467                       | 2,527                       | 2,585                       | 2,642                       | 2,697                       | 2,751                       |
| Development and financial contributions                               | 27                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Increase (decrease) in debt                                           | -                            | 606                         | (112)                       | (116)                       | (121)                       | (127)                       | (134)                       | -                           | -                           | -                           |
| Gross proceeds from sale of assets                                    | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Lump sum contributions                                                | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Other dedicated capital funding                                       | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total sources of capital funding [C]</b>                           | <b>3,596</b>                 | <b>2,856</b>                | <b>2,232</b>                | <b>2,291</b>                | <b>2,346</b>                | <b>2,400</b>                | <b>2,451</b>                | <b>2,642</b>                | <b>2,697</b>                | <b>2,751</b>                |
| <b>[D] APPLICATIONS OF CAPITAL FUNDING</b>                            |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Capital expenditure                                                   |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| —to meet additional demand                                            | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| —to improve the level of service                                      | 25                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| —to replace existing assets                                           | 4,313                        | 3,966                       | 4,171                       | 4,284                       | 4,391                       | 4,497                       | 4,600                       | 4,701                       | 4,800                       | 5,314                       |
| Increase (decrease) in reserves                                       | 357                          | (50)                        | (50)                        | 250                         | 250                         | -                           | -                           | -                           | -                           | -                           |
| Increase (decrease) of investments                                    | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total applications of capital funding [D]</b>                      | <b>4,695</b>                 | <b>3,916</b>                | <b>4,121</b>                | <b>4,534</b>                | <b>4,641</b>                | <b>4,497</b>                | <b>4,600</b>                | <b>4,701</b>                | <b>4,800</b>                | <b>5,314</b>                |
| <b>Surplus/(deficit) of capital funding [C] - [D]</b>                 | <b>(1,099)</b>               | <b>(1,060)</b>              | <b>(1,889)</b>              | <b>(2,243)</b>              | <b>(2,295)</b>              | <b>(2,097)</b>              | <b>(2,149)</b>              | <b>(2,060)</b>              | <b>(2,103)</b>              | <b>(2,563)</b>              |
| <b>Funding balance [A - B] + [C - D]</b>                              | <b>-</b>                     | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    |



## Profit and loss for group of activities

The previous funding impact statement summarises all the money to be raised (sources of funds) and where it is to be spent (application of funding). It does not take into account any transactions that have no direct funding impact (‘non cash’ transactions), such as depreciation. Some of these transactions have a material impact on Council’s surplus/deficit, most notably depreciation. Depreciation is discussed in more detail in PART C: Council’s Financial Strategy. It is therefore important to consider the impact of these transactions for each group of activities. This will also allow you to see how each group of activities contributes to Council’s overall financial performance detailed later in this plan.

|                                                          | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|----------------------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>REVENUE</b>                                           |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Rates revenue                                            | 3,446                        | 3,270                       | 3,371                       | 3,762                       | 3,828                       | 3,660                       | 3,742                       | 3,820                       | 3,892                       | 4,382                       |
| Subsidies and grants                                     | 10,873                       | 5,599                       | 5,781                       | 5,950                       | 6,131                       | 6,297                       | 6,460                       | 6,621                       | 6,767                       | 6,915                       |
| Fees and Charges                                         | 6                            | 60                          | 61                          | 63                          | 64                          | 66                          | 67                          | 69                          | 70                          | 72                          |
| Other revenue                                            | 375                          | 221                         | 225                         | 231                         | 237                         | 243                         | 248                         | 254                         | 259                         | 264                         |
| Development and financial contributions                  | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total Income</b>                                      | <b>14,699</b>                | <b>9,150</b>                | <b>9,439</b>                | <b>10,005</b>               | <b>10,261</b>               | <b>10,266</b>               | <b>10,517</b>               | <b>10,763</b>               | <b>10,988</b>               | <b>11,632</b>               |
| <b>EXPENDITURE</b>                                       |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Depreciation and amortisation expense                    | 4,593                        | 5,295                       | 5,891                       | 5,989                       | 6,089                       | 6,638                       | 6,743                       | 6,851                       | 7,456                       | 7,568                       |
| Finance costs                                            | 3                            | 0                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Other expenses                                           | 3,505                        | 5,150                       | 5,317                       | 5,471                       | 5,619                       | 5,769                       | 5,917                       | 6,062                       | 6,188                       | 6,318                       |
| <b>Total Expenditure</b>                                 | <b>8,101</b>                 | <b>10,445</b>               | <b>11,208</b>               | <b>11,460</b>               | <b>11,709</b>               | <b>12,407</b>               | <b>12,660</b>               | <b>12,913</b>               | <b>13,644</b>               | <b>13,886</b>               |
| <b>Surplus /(deficit) of operating funding [A] - [B]</b> | <b>6,598</b>                 | <b>(1,296)</b>              | <b>(1,770)</b>              | <b>(1,455)</b>              | <b>(1,448)</b>              | <b>(2,141)</b>              | <b>(2,143)</b>              | <b>(2,150)</b>              | <b>(2,656)</b>              | <b>(2,254)</b>              |

### Significant expenditure

Please refer to the Infrastructure Strategy for details.

## How we manage our assets that support this activity

Council has an extensive level of information about its roading and associated assets contained in the Activity Management Plan (AMP). The AMP also contains detailed service level information such as network condition and capacity, response to complaints and criteria for maintenance, renewals and upgrades.

Assets that are critical to the system are monitored proactively and decisions made about maintenance, upgrades and renewals as needed. Council also responds to information from customers and contractors, as well as resident surveys and enquiries.

### Proposed changes to levels of service

There are no significant proposed changes to levels to service in the land transport activity.

There may be changes to the footpath maintenance and renewals programme pending outcome of community consultation.

There may be changes to the speed and weight limits of certain non-critical bridges in the district pending the outcome of the heavy vehicle route assessment to be undertaken as part of the 2027 LTP.

### Additional capacity

None are specifically provided for in this Plan, beyond providing for future growth when replacing assets.

### What additional capacity is required?

The AMP contains detailed assessment of anticipated increases in demand.

Essentially over the next ten years there is unlikely to be any anticipated significant increase in demand based on the overall population growth projections for the Grey District. However, based on a review of the Census information, including normally resident population and dwellings, rural residential development has occurred and is likely to continue to occur in the following Census areas: South Beach-Cameras, Barrytown, Marsden-Hohonu, Arnold Valley and Nelson Creek-Ngahere. This type of demand and the effects on the roading activity will be monitored and are mostly to be managed through subdivision consent requirements.

With respect to renewals, which also include increased level of service and/or capacity, the reasons for this are:

- Roads – to meet current and future traffic volumes over the next 30 years.
- Bridges – to comply with current bridge standards and to meet current and future traffic volumes over the next 30 years.

With respect to subdivision development, requirements are in place to recover the costs of any required increase in capacity or any new roads.

## Key assumptions about the useful life of assets and the sources of funding for replacement

Assumptions regarding the life of assets include:

- Assets will perform to the required standard for the duration of their useful lives as provided for in the AMP.
- Where assets remain in service beyond their useful life, they will be regularly assessed as to their condition to ensure they remain safe to use.

Assumptions regarding sources of funding for replacement of assets are:

- NZTA Funding Assistance Rates (FARs) funding rates may change within the first ten years of the AMP as they review their rates every three years before each National Land Transport Programme (NLTP). The next review is due in 2027.
- NZTA funding will not materially change in years 11 to 30 of the AMP from what has been signalled by the Government funding agency.
- Other sources of funding include:
  - Rates
  - Amounts negotiated by agreement for any future developments that may create significant adverse effects to land transport infrastructure.

## Significant potential negative effects of this activity

Council's work in building new, and maintaining existing, roads can potentially cause short term noise, dust, vibration and traffic congestion, while road accidents can and will happen.

Contaminants discharged from vehicles to the road surface can also be transferred to adjacent properties, drains and other waterways.

# Stormwater

Also refer to PART D: Infrastructure Strategy for more information on this activity.

## Activities included in this group

Stormwater includes the following key functions:

- Management of Stormwater systems (mostly in urban residential areas), including public open drains.
- Flood prevention. This includes maintaining urban watercourses.

Note: Council has a minor Flood Protection responsibility in that it puts floodgates in place in specific locations when levels in the Grey River reach a specific height.

It also maintains and operates flood pump stations at Johnston Street and Tarry Creek Greymouth as part of the Greymouth Flood Scheme on behalf of the Greymouth Flood Scheme Committee (a joint Grey District Council and West Coast Regional Council committee).

## Why we are involved in this activity/these activities

Council needs to control stormwater to protect our community's health and safety and minimise property damage and access. Adequate collection and disposal arrangements are of critical importance and the flood prevention focus is important.

## Contribution to Council's Vision and Outcomes

| Outcome                        | The Grey District has:                                                                                                                                                                                             |
|--------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Economic Wellbeing</b>      |                                                                                                                                                                                                                    |
| Strong Sustainable             | <ul style="list-style-type: none"> <li>• The effective management and strategic approach of the stormwater system provides continuity of access to infrastructure and property throughout the district.</li> </ul> |
| <b>Social Wellbeing</b>        |                                                                                                                                                                                                                    |
| Safe                           | <ul style="list-style-type: none"> <li>• The effective management of the stormwater system provides community, industry and business with assurances of safety.</li> </ul>                                         |
| <b>Environmental Wellbeing</b> |                                                                                                                                                                                                                    |
| Practical Resilient Strategic  | <ul style="list-style-type: none"> <li>• The effective management and strategic approach of the stormwater system provides for resiliency and a sustainable environment throughout the district.</li> </ul>        |

## What we'll provide

A summary of Council's stormwater infrastructure is as follows:

| Community          | Pipe Drains (metres) | Stormwater Pump Stations (number) | Flood Scheme     |
|--------------------|----------------------|-----------------------------------|------------------|
| Ahaura             | 1,031.28             |                                   |                  |
| Blackball          | 1,964.70             |                                   |                  |
| Blaketown          | 9,977.51             | 3                                 | Greymouth Scheme |
| Cobden             | 20,416.24            | 1                                 | Greymouth Scheme |
| Dobson/Taylorville | 5,600.72             |                                   |                  |
| Greymouth          | 61,106.55            | 2                                 | Greymouth Scheme |
| Iveagh Bay         | 1,618.23             |                                   |                  |
| Karoro             | 7,049.56             |                                   |                  |
| Moana              | 4,781.27             |                                   |                  |
| Runanga            | 11,651.42            |                                   |                  |
| Rural              | 3,317.02             |                                   |                  |
| South Beach/Paroa  | 5,141.16             | 1                                 | Jacks Road Paroa |
| Stillwater         | 12.80                |                                   |                  |
| <b>Total</b>       | <b>133,700.52</b>    | <b>7</b>                          |                  |

Since our last LTP was developed in 2021, the total length of stormwater pipe networks has increased from 132.5 km to 133.7 km, a 1.9km increase.

Information on minor stormwater drains in urban areas is incomplete and efforts to record actual data are on-going.

The following stormwater standards apply:

- All urban systems with the exception of Greymouth CBD are designed to cope with a 1-in-5 year on average storm - no ponding is evident after two hours after the rain stops and there is no damage to houses.
- The Greymouth CBD system is designed to cope with a 1-in-1 year on average storm. Physical constraints make it very difficult to improve this performance without considerable capital investment.

- Ponding or secondary flow on local roads is limited to 100mm maximum in height at the centreline such that the road is passible in a 1-in-20 year on average storm.

Council will undertake the following:

- Stormwater maintenance works
- Stormwater network renewals
- Stormwater utilities renewals
- Clearance of open public drains
- Clearance of urban drainage channels
- Placement of flood gates when Grey River levels reach a certain height
- Operation of the stormwater pump stations for the Greymouth Scheme

New capital works and upgrades to the capacity of existing systems will also be considered by Council where there is a demonstrated technical need.

## Issues and options facing the activity

| ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | OPTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>Deferred renewals</b><br>The outcome from condition assessments carried out to date confirms we have significant deferred renewals which need to be addressed in order to maintain levels of service and avoid potential critical failures.<br>Ageing infrastructure increases the risk of collapse or blockage due to displaced joints, with some materials exceeding their service life, especially in saline groundwater. Notably, 65% of the network consists of pipes 300mm or smaller in diameter. The Stormwater activity has the second largest backlog of deferred renewals among the three waters activities of around \$27.6 million. | <ol style="list-style-type: none"> <li>1. Utilise information from the condition assessments to identify priority areas for renewals based on the importance of the infrastructure to consumers and other critical factors, e.g. effect on the environment if failure occurs.</li> <li>2. Utilising existing and future modelling work conducted to help prioritise higher risk areas</li> <li>3. Increasing renewals budget from \$1.5 million in year 1 to \$2.8 million by year 6 of this LTP.</li> <li>4. More cost-effective materials, operations and construction methods, (e.g. concrete lining of existing pipes).</li> </ol> | ✓                          | ✓                            | ✓                        |
| <b>Greymouth CBD capacity</b><br>The Grey District stormwater infrastructure faces several challenges, including capacity constraints in the Greymouth CBD system leading to surface flooding during moderate rain events.                                                                                                                                                                                                                                                                                                                                                                                                                          | <ol style="list-style-type: none"> <li>1. Implementing the quick solutions suggested through early modelling investigations. Including but not limited to, upgrading sumps in the CBD areas; changes of pumping regimes; and clearance of a number of drains in the CBD.</li> <li>2. Future hydraulic modelling and investigations to provide strategies for Council for improving the network capacity.</li> <li>3. Additional capital budget has been approved for general pipe size increases for the renewals programme.</li> </ol>                                                                                                | ✓                          | ✓                            | ✓                        |
| <b>Sewer Separation</b><br>The existing network combines the wastewater and stormwater networks with Greymouth as a result of the older combined system that was transferred to stormwater.                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <ol style="list-style-type: none"> <li>1. Council is working with WCRC and local iwi to address this through a 10-year consent (around 150 properties each year).</li> <li>2. Intended Council priority for these works is: Cobden first, then staged areas in Greymouth/Blaketown focusing first on those that have existing Combined Service Outfalls (CSOs).</li> </ol>                                                                                                                                                                                                                                                             | ✓                          |                              |                          |
| <b>Ownership of Community Infrastructure Assets</b><br>A direct issue as who owns and who will fund this infrastructure asset in the future affects who will make decisions and who will be able to plan for future investment.                                                                                                                                                                                                                                                                                                                                                                                                                     | <ol style="list-style-type: none"> <li>1. Status Quo - Potentially not an option if the Government enacts new legislation for change, however for this plan it is assumed stormwater will remain under the stewardship and governance of Council.</li> <li>2. External Organisational Structure - Monitor developments in this area and if status quo is not an option, then ensure the communities that own the infrastructure continue to have a voice in future decision making.</li> </ol>                                                                                                                                         |                            |                              |                          |

| ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | OPTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>Environment and climate change</b><br>The projected increased frequency of extreme rainfall events or the increase in rainfall intensities may impact on Council water takes and infrastructure, which may result in a lower level of service with existing water supply services.<br>Existing residential and other developments at risk from coastal erosion and other climate change effects.<br>Communities at Rapahoe and southern end of lower Cobden currently at risk. | <ol style="list-style-type: none"> <li>1. Retreat of residential and other developments - may mean abandonment, removal and/or relocation of infrastructure including protection works at new locations.</li> <li>2. Protect existing residential and other developments - will mean provision of or upgrade of existing infrastructure to protect communities and other infrastructure (e.g., pipe capacity upgrades).</li> </ol>                                                                                                                                   | ✓                          | ✓                            | ✓                        |
| <b>Vulnerability of buried pipes and related infrastructure in soft ground subject to natural hazards such earthquakes and liquefaction.</b>                                                                                                                                                                                                                                                                                                                                      | <ol style="list-style-type: none"> <li>1. Carry out upgrade works in based on priorities established from condition assessments</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                           | ✓                          | ✓                            | ✓                        |
| <b>Natural hazards and/or climate change causing direct and/or backup flooding or damage to properties and infrastructure.</b><br>Need to consider floodwalls, detention ponds, stormwater pumping systems, increased pipe capacity and additional stormwater networks.                                                                                                                                                                                                           | <ol style="list-style-type: none"> <li>1. Funding through West Coast Regional Council (WCRC) rating districts.</li> <li>2. Possible part funding through Council.</li> <li>3. Allow for capacity increases as pipelines are replaced.</li> <li>4. Review capacity of stormwater systems in townships to cope with current and future predicted storm events. Include possible stormwater network enhancements in future LTPs.</li> <li>5. Review resilience of pump stations and pump station components at the time components fall due for replacement.</li> </ol> | ✓                          | ✓                            | ✓                        |
| <b>Stormwater is an important Lifelines component in the event of an emergency.</b>                                                                                                                                                                                                                                                                                                                                                                                               | <ol style="list-style-type: none"> <li>1. Council will continue to maintain its stormwater network to the best of its ability</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                             | ✓                          | ✓                            | ✓                        |
| <b>Council has struggled to deliver its capital programme and keep up with the level of demand in addressing the renewals and maintenance issues in the three waters activities.</b><br>The Utilities & Infrastructure Group delivery, who has responsibility for the water supply activity, also manages Parks and Reserves, Refuse and Recycling, Cemeteries and Public Toilets activities.                                                                                     | <ol style="list-style-type: none"> <li>1. Council will, over the course of this LTP, increase the Utilities and Infrastructure team by five to six FTE to provide a more structured team with an ability to focus on specific areas across renewals and capital works.</li> </ol>                                                                                                                                                                                                                                                                                    | ✓                          |                              |                          |
| <b>Water industry reform</b><br>A key requirement for Council and all water service providers is to ensure that water services are provided in a cost-effective and financially sustainable manner. This means: <ul style="list-style-type: none"> <li>• Revenue sufficiency: is there sufficient revenue to cover the costs (including servicing of debt) of water services delivery?</li> </ul>                                                                                 | <ol style="list-style-type: none"> <li>1. This LTP has been developed in advance of Council's development of its Water Services Delivery Plan. It recommends the programme of investment that must be delivered no matter the future delivery model (in-house or water organisation, stand-alone or joint). Council will engage on the proposed delivery model alongside the Long Term Plan, with the final Water Service Delivery Plan submitted by September 2025.</li> </ol>                                                                                      | ✓                          |                              |                          |

| ISSUE                                                                                                                                                                                                                                                                                                                  | OPTIONS | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|----------------------------|------------------------------|--------------------------|
| <ul style="list-style-type: none"> <li>Investment sufficiency: is the projected level of investment sufficient to meet levels of service, regulatory requirements, and provide for growth?</li> <li>Financing sufficiency: are funding and finance arrangements sufficient to meet investment requirements?</li> </ul> |         |                            |                              |                          |

Please also refer to PART C: Council's Financial Strategy and PART D: Infrastructure Strategy for additional information on this activity.

### Local Water Done Well

The Government has introduced its Local Water Done Well (LWDW) policy replacing the previous government's Three Waters / Affordable Waters reform programme. The Policy is being introduced in three stages each with its own piece of legislation.

LWDW aims to:

- address how waters infrastructure across New Zealand is funded and delivered in a financially sustainable manner
- introduce a new regulatory regime for water services delivery, which sets out increased environmental, economic and human health standards and regulations
- support a sustainable workforce that is able to deliver on the forward investment programme and governance requirements.

The Local Government (Water Services Preliminary Arrangements) Act 2024 is the first piece of new legislation. It will require all Councils to develop a Water Services Delivery Plan which provides information about their water services operations, assets, revenue, expenditure, pricing and projected capital expenditure, as well as necessary financing arrangements, as a first step towards future economic regulation.

The Act requires all councils to consult on their arrangements for the future delivery of three of the water services that Council currently manages (commonly known as the three waters). These are:

1. Drinking Water: Ensuring the provision of safe and reliable drinking water to communities.
2. Wastewater: Managing the collection, treatment, and disposal of wastewater to protect public health and the environment.
3. Stormwater: Handling stormwater drainage to reduce flood risk and manage runoff in urban areas.

The Act allows councils to explore and establish new delivery models for water services. The options include:

- Joint Local Government arrangements;
- A Water Services Council Controlled Organisation (WSCCO);
- Consumer Trusts; or
- Continue to deliver water services in-house.

Under the LWDW legislation, all councils need to develop water services delivery plans by September 2025. These plans must provide a current and long-term assessment of councils' water infrastructure, outline the investment required in water services to deliver on projected population growth and development needs, and how councils plan to finance and deliver these plans through their preferred water services delivery model. All councils need to specifically consider their water services delivery models, and consult on options, before outlining this in the final water service delivery plans.

We have progressed significant work in this space, obtaining expert advice and undertaking the due diligence we think is required to understand our options for water services delivery, and what is required to satisfy the requirements for a water services delivery plan.

That work identified two credible options:

- Multi Council Controlled Organisation; and
- In House Business Unit

Consultation on the future water services delivery model is being undertaken under the Local Government (Water Services Preliminary Arrangements) Act 2024 (PA Act). Council has chosen to consult with a preferred option of a Multi Council CCO structure for water services delivery. The chosen water services delivery model will inform the development of the water services delivery plan, but we are not required to consult on the plan itself.

Because the submissions on the water service delivery model have not yet been heard and no final decisions have been made on the future delivery of water services, our Long Term Plan has been prepared on the basis of our existing water services arrangements, being an in house business unit, and includes costs for the full nine years of the long-term plan. We have chosen not to incorporate any changes that might take effect from a decision to go with a multi council CCO as there are still too many unknown quantities to make a fully informed nine year financial plan.

We will continue to update you as Council progresses its proposals and decisions are made. In the meantime, we encourage you to have your say on our proposal for the future delivery of Grey’s water services once we go out to consultation on our future delivery options.

How we’ll measure our performance

| What we’re measuring                         | How we’ll measure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Target                          |                                               |                                               |                                               |                                                     |
|----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|-----------------------------------------------|-----------------------------------------------|-----------------------------------------------|-----------------------------------------------------|
|                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Current Performance (2023/2024) | Year 1 (2025/2026)                            | Years 2 – 3 (2026/2027 – 2027/2028)           | Years 4 – 9 (2028/2029 to 2033/2034)          | Target Trend (years 1-9)                            |
| Performance measure 1 - System adequacy      | (a) The number of flooding events that occur in a territorial authority district                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Nil                             | 2                                             | 3                                             | 4                                             | Maintaining (Increasing likelihood of flood events) |
|                                              | (b) For each flooding event, number of habitable floors affected, expressed per 1,000 properties connected to a Council scheme<br><br>Number of serviced urban properties: 7,272<br>Note: <ul style="list-style-type: none"><li>• Council is only measuring reported incidents in urban areas where the stormwater network is.</li></ul> Number of serviced properties includes all urban properties, whether connected to the Council service or not. Some properties discharge stormwater via their own property stormwater system to watercourses. | Nil                             | Total floors: 2<br>Per 1,000 properties: 0.28 | Total floors: 2<br>Per 1,000 properties: 0.28 | Total floors: 2<br>Per 1,000 properties: 0.28 | Maintain                                            |
| Performance measure 2 - Discharge compliance | Compliance with Council’s resource consents for discharge from its stormwater system, measured by the number of:<br><br>Number of abatement notices                                                                                                                                                                                                                                                                                                                                                                                                   | Nil                             | 2                                             | 2                                             | 2                                             | Maintain                                            |



| What we're measuring                          | How we'll measure                                                                                                                                                  | Target                                             |                                                    |                                                    |                                                    |                          |
|-----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|----------------------------------------------------|----------------------------------------------------|--------------------------|
|                                               |                                                                                                                                                                    | Current Performance (2023/2024)                    | Year 1 (2025/2026)                                 | Years 2 – 3 (2026/2027 – 2027/2028)                | Years 4 – 9 (2028/2029 to 2033/2034)               | Target Trend (years 1-9) |
|                                               | Number of infringement notices                                                                                                                                     | Nil                                                | 1                                                  | 1                                                  | 1                                                  | Maintain                 |
|                                               | Number of enforcement orders                                                                                                                                       | Nil                                                | Nil                                                | Nil                                                | Nil                                                | Maintain                 |
|                                               | Number of successful prosecutions                                                                                                                                  | Nil                                                | Nil                                                | Nil                                                | Nil                                                | Maintain                 |
| Performance measure 3 - Response times        | Median response time to attend a flooding event<br>Measured from the time that Council receives notification to the time that staff or contractors reach the site. | Nil                                                | 3 hours                                            | 3 hours                                            | 3 hours                                            | Maintain                 |
| Performance measure 4 - Customer satisfaction | Number of complaints received about a Council stormwater scheme (per 1,000 properties connected to a Council scheme) (7,272 connections)                           | Total complaints: 54<br>Per 1,000 properties: 7.42 | Total complaints: 60<br>Per 1,000 properties: 8.25 | Total complaints: 60<br>Per 1,000 properties: 8.25 | Total complaints: 60<br>Per 1,000 properties: 8.25 | Maintain                 |

Mandatory performance measures as per Department of Internal Affairs Non-Financial Performance Measures Rules 2024.

## Financial information

### Activity funding

These activities are mainly funded by:

#### General Rates

- The District requires efficient stormwater/flood protection assets for economic viability, so there is a mix of direct benefit to the users of the systems and general benefit to the whole District. It is therefore deemed most appropriate for the rates share to be met by way of a general rate set differentially across the District.

## Funding impact statement

|                                                                       | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|-----------------------------------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>[A] SOURCES OF OPERATING FUNDING</b>                               |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| General rates, uniform annual general charges, rates penalties        | 1,635                        | 1,095                       | 2,102                       | 2,737                       | 2,894                       | 3,843                       | 4,913                       | 6,798                       | 7,887                       | 7,956                       |
| Targeted rates                                                        | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Subsidies and grants for operating purposes                           | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Fees and charges                                                      | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Internal charges and overheads recovered                              | 566                          | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Local authorities fuel tax, fines, infringement fees & other receipts | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total sources of operating funding [A]</b>                         | <b>2,201</b>                 | <b>1,095</b>                | <b>2,102</b>                | <b>2,737</b>                | <b>2,894</b>                | <b>3,843</b>                | <b>4,913</b>                | <b>6,798</b>                | <b>7,887</b>                | <b>7,956</b>                |
| <b>[B] APPLICATIONS OF OPERATING FUNDING</b>                          |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Payments to staff and suppliers                                       | 610                          | 992                         | 1,035                       | 1,061                       | 1,084                       | 1,166                       | 1,189                       | 1,213                       | 1,237                       | 1,261                       |
| Finance costs                                                         | 343                          | 108                         | 180                         | 268                         | 375                         | 550                         | 658                         | 826                         | 848                         | 878                         |
| Internal charges and overheads applied                                | -                            | 287                         | 315                         | 331                         | 344                         | 358                         | 372                         | 385                         | 393                         | 401                         |
| Other operating funding applications                                  | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total applications of operating funding [B]</b>                    | <b>953</b>                   | <b>1,388</b>                | <b>1,531</b>                | <b>1,660</b>                | <b>1,803</b>                | <b>2,074</b>                | <b>2,219</b>                | <b>2,424</b>                | <b>2,479</b>                | <b>2,540</b>                |
| <b>Surplus /(deficit) of operating funding [A] - [B]</b>              | <b>1,248</b>                 | <b>(293)</b>                | <b>571</b>                  | <b>1,077</b>                | <b>1,091</b>                | <b>1,769</b>                | <b>2,695</b>                | <b>4,373</b>                | <b>5,408</b>                | <b>5,416</b>                |
| <b>[C] SOURCES OF CAPITAL FUNDING</b>                                 |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Subsidies and grants for capital expenditure                          | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Development and financial contributions                               | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Increase (decrease) in debt                                           | -                            | 1,652                       | 1,741                       | 2,095                       | 3,310                       | 1,719                       | 2,902                       | 150                         | 447                         | 399                         |
| Gross proceeds from sale of assets                                    | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Lump sum contributions                                                | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Other dedicated capital funding                                       | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total sources of capital funding [C]</b>                           | <b>-</b>                     | <b>1,652</b>                | <b>1,741</b>                | <b>2,095</b>                | <b>3,310</b>                | <b>1,719</b>                | <b>2,902</b>                | <b>150</b>                  | <b>447</b>                  | <b>399</b>                  |
| <b>[D] APPLICATIONS OF CAPITAL FUNDING</b>                            |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Capital expenditure                                                   |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| —to meet additional demand                                            | -                            | -                           | -                           | 300                         | -                           | -                           | -                           | -                           | -                           | -                           |
| —to improve the level of service                                      | 277                          | 825                         | 1,326                       | 1,999                       | 2,407                       | 905                         | 1,833                       | 942                         | 1,907                       | 2,002                       |
| —to replace existing assets                                           | 1,062                        | 1,135                       | 1,336                       | 1,572                       | 1,993                       | 2,582                       | 3,264                       | 3,331                       | 3,398                       | 3,463                       |
| Increase (decrease) in reserves                                       | (91)                         | (600)                       | (350)                       | (700)                       | -                           | -                           | 500                         | 250                         | 550                         | 350                         |
| Increase (decrease) of investments                                    | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total applications of capital funding [D]</b>                      | <b>1,248</b>                 | <b>1,360</b>                | <b>2,312</b>                | <b>3,172</b>                | <b>4,400</b>                | <b>3,487</b>                | <b>5,597</b>                | <b>4,523</b>                | <b>5,855</b>                | <b>5,815</b>                |
| <b>Surplus /(deficit) of capital funding [C] - [D]</b>                | <b>(1,248)</b>               | <b>293</b>                  | <b>(571)</b>                | <b>(1,077)</b>              | <b>(1,091)</b>              | <b>(1,769)</b>              | <b>(2,695)</b>              | <b>(4,373)</b>              | <b>(5,408)</b>              | <b>(5,416)</b>              |
| <b>Funding balance [A - B] + [C - D]</b>                              | <b>-</b>                     | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    |

## Profit and loss for group of activities

The previous funding impact statement summarises all the money to be raised (sources of funds) and where it is to be spent (application of funding). It does not take into account any transactions that have no direct funding impact ('non cash' transactions), such as depreciation. Some of these transactions have a material impact on Council's surplus/deficit, most notably depreciation. Depreciation is discussed in more detail in PART C: Council's Financial Strategy. It is therefore important to consider the impact of these transactions for each group of activities. This will also allow you to see how each group of activities contributes to Council's overall financial performance detailed later in this plan

|                                                          | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|----------------------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>REVENUE</b>                                           |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Rates revenue                                            | 1,635                        | 1,723                       | 2,491                       | 2,956                       | 4,268                       | 5,164                       | 6,401                       | 6,392                       | 7,307                       | 7,252                       |
| Subsidies and grants                                     | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Fees and Charges                                         | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Other revenue                                            | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Development and financial contributions                  | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total Income</b>                                      | <b>1,635</b>                 | <b>1,723</b>                | <b>2,491</b>                | <b>2,956</b>                | <b>4,268</b>                | <b>5,164</b>                | <b>6,401</b>                | <b>6,392</b>                | <b>7,307</b>                | <b>7,252</b>                |
| <b>EXPENDITURE</b>                                       |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Depreciation and amortisation expense                    | 1,423                        | 1,656                       | 1,858                       | 1,902                       | 1,966                       | 2,194                       | 2,251                       | 2,336                       | 2,553                       | 2,642                       |
| Finance costs                                            | 79                           | 108                         | 148                         | 209                         | 295                         | 390                         | 410                         | 473                         | 484                         | 514                         |
| Other expenses                                           | 763                          | 1,144                       | 1,215                       | 1,250                       | 1,282                       | 1,374                       | 1,408                       | 1,442                       | 1,471                       | 1,501                       |
| <b>Total Expenditure</b>                                 | <b>2,264</b>                 | <b>2,909</b>                | <b>3,221</b>                | <b>3,361</b>                | <b>3,543</b>                | <b>3,958</b>                | <b>4,069</b>                | <b>4,251</b>                | <b>4,508</b>                | <b>4,657</b>                |
| <b>Surplus /(deficit) of operating funding [A] - [B]</b> | <b>(630)</b>                 | <b>(1,185)</b>              | <b>(730)</b>                | <b>(405)</b>                | <b>726</b>                  | <b>1,206</b>                | <b>2,332</b>                | <b>2,141</b>                | <b>2,799</b>                | <b>2,595</b>                |

## Significant expenditure

Please refer to the Infrastructure Strategy for details.

## How we manage our assets that support this activity

Council has an extensive level of information about its stormwater and associated assets but information with regards to open public drains is lacking. Information is contained in the Activity Management Plan (AMP). The AMP also contains detailed service level information such as network condition and capacity, road, response to complaints and criteria for maintenance, renewals and upgrades.

Assets that are critical to the system are monitored proactively and decisions made about maintenance, upgrades and renewals as needed. Council also responds to information from customers and contractors, as well as resident surveys and enquiries.

## Proposed changes to levels of service

The focus over the next three years is to maintain existing levels of service taking into account projected population growth/decline and other demand factors.

It is noted there will be some improvement in the level of service provided due to stormwater upgrades over the life of this plan, e.g. central Greymouth, Shakespeare Street, Dobson etc.

**Additional capacity**

The AMP shows no significant increase in demand based on population growth/decline projections.

To sustain the current agreed levels of service, when pipes and associated systems are replaced, pipe sizes will be increased to cater for climate change effects.

With respect to subdivision development, requirements are in place to recover the costs of any required increase in capacity.

**Key assumptions about the useful life of assets and the sources of funding for replacement**

Assumptions regarding the life of assets include:

- Assets will perform to the required standard for the duration of its useful lives as provided for in the AMP.
- Where assets remain in service beyond their useful life, they will be prioritised for replacement with a majority of the backlog being addressed during the life of this plan.

Assumptions regarding sources of funding for replacement of assets are:

- Project costs will primarily be funded through rates for the replacement assets.
- Other sources of funding include:
  - Financial contributions

**Significant potential negative effects of this activity**

Whilst the stormwater service as such can have negative effects in the form of collection and discharges of contaminants, it is more capacity constraints of the systems that can have significant effects as outlined in the implications (consequences) shown in the table above on significant issues.

Two primary examples are:

- Capacity constraints of the Greymouth CBD system and associated surface flooding during extreme rain events.
- Collapsed stormwater pipes that could lead to property damage include vehicles on roads and if the collapse occurs during storm events, also associated surface flooding and consequential property damage.

# Wastewater (sewerage)

Also refer to PART D: Infrastructure Strategy for more information on this activity.

## Activities included in this group

Sewerage includes collection, treatment and disposal in the six (6) Council schemes of:

- Wider Greymouth area (Greymouth, Cobden, Blaketown, Boddytown, Dobson, Taylorville and Kaiata)
- Karoro, South Beach, Paroa
- Runanga/Dunollie
- Moana
- Blackball
- Iveagh Bay (Te Kinga)

The Kaiata Developments scheme is transferring to Council, pending vesting from the Developer.

This activity does not cover on-site individual property waste disposal systems or public schemes that are owned and operated by other individuals or businesses.

## Why are we involved in this activity

By collecting, treating and disposing of wastewater, Council provides a service to residents and businesses that supports development in the District and protects the physical environment and our community's health.

## Contribution to Council's Vision and Outcomes

| Outcome                        | The Grey District has:                                                                                                                                                                                          |
|--------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Economic Wellbeing</b>      |                                                                                                                                                                                                                 |
| Strong Sustainable             | <ul style="list-style-type: none"> <li>• Effective management, treatment and maintenance of waste and wastewater systems is integral to providing for a strong and sustainable economy.</li> </ul>              |
| <b>Social Wellbeing</b>        |                                                                                                                                                                                                                 |
| Safe                           | <ul style="list-style-type: none"> <li>• The effective management, treatment and maintenance of waste and wastewater systems is fundamental to the health and safety of people within the community.</li> </ul> |
| <b>Environmental Wellbeing</b> |                                                                                                                                                                                                                 |

|                               |                                                                                                                                                                                                                      |
|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Practical Resilient Strategic | <ul style="list-style-type: none"> <li>• The effective and strategic management, treatment and maintenance of waste and wastewater systems ensures resiliency of the Environment now and into the future.</li> </ul> |
|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

## What we'll provide

A summary of Council's wastewater infrastructure is as follows:

The breakdown of the Wastewater infrastructure which services around 5,512 properties:

- Six wastewater schemes and treatment plants
- 39 pumping stations
- 183.7km of pipes

| Community                        | Number of connections     | Treated discharge to |
|----------------------------------|---------------------------|----------------------|
| <b>Blackball</b>                 | 195                       | Ford Creek           |
| <b>Blaketown</b>                 | Included in Greymouth     | Grey River           |
| <b>Cobden</b>                    | Included in Greymouth     | Grey River           |
| <b>Dobson/Taylorville/Kaiata</b> | 342                       | Grey River           |
| <b>Greymouth</b>                 | 3,134                     | Grey River           |
| <b>Te Kinga</b>                  | 40                        | Ground               |
| <b>Karoro</b>                    | 400                       | Tasman Sea           |
| <b>Moana</b>                     | 296                       | Arnold River         |
| <b>Runanga</b>                   | 532                       | 7 Mile Creek         |
| <b>South Beach/Paroa</b>         | 316 (part of Karoro WWTP) | Tasman Sea           |
| <b>TOTAL</b>                     | <b>5,255</b>              |                      |

Source: Rates Information – number of separately used or inhabitable parts of a rating unit.

The scheme areas are based on the extent of pipe networks that exist in these areas. The community areas related to the Census boundaries defined by Statistics New Zealand.

The partially treated effluent discharges to the Grey River for the Greymouth Scheme (Cobden, Blaketown, Greymouth Central and Greymouth South) near Johnston Street and Cobden will be discontinued during the life of this Plan. One fully treated effluent discharge site will be retained near Johnston Street.

Effluent from Cobden will be pumped across the Grey River (via the Cobden State Highway bridge) to the Greymouth Treatment Plant at Preston Road, where it will be treated then pumped to Johnston Street for final treatment prior to discharge.

Council will attend to the following:

- Completion of outstanding separation works for the Greymouth Scheme and encouraging individual properties to connect to the scheme in the areas of Greymouth, Blaketown, Cobden, Taylorville, Dobson and Kaiata
- On-going maintenance of the network (i.e. pipes) and plant (pumps etc)
- Sewer renewals and replacement
- Pumping station annual maintenance
- Wastewater network cyclical replacement
- Management of systems as Lifelines

## Issues and options facing the activity

| ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                | OPTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>General Resource Consent renewals</b><br>A number of consents (13) have expired and Council is in the process for renewing these, while lawfully operating under s124 of the Resource Management Act 1991 with existing consents.<br>Four additional consents are due to expire within the term of this LTP so those will need to be budgeted/planned for.                                                                                        | <ol style="list-style-type: none"> <li>1. Renew of expired consents.</li> <li>2. Set aside funding for upcoming consent renewals and begin the renewal process earlier.</li> </ol>                                                                                                                                                                                                                                                                                                                                       | ✓                          | ✓                            |                          |
| <b>Wastewater Redirection</b><br>The current discharge permits for the WWTP were issued in February 2018 for a term of ten years. A condition of the discharge permits was to consider decommissioning the plant and transferring raw wastewater to the Greymouth WWTP. Redirection to the Greymouth WWTP needs to be commissioned before December 2026 due to the consent running out January 2027.                                                 | <ol style="list-style-type: none"> <li>1. Council has done the cost analysis and submitted this to WCRC.</li> <li>2. Capital budget set aside to fund this (\$5.5 million).</li> </ol>                                                                                                                                                                                                                                                                                                                                   | ✓                          |                              |                          |
| <b>Treatment Plant Compliance</b><br>Following a review by Council staff in 2023 with assistance from Stantec, it was found that three wastewater schemes are currently operating beyond the expiry of relevant resource consents but remain lawful under s124 of the Resource Management Act 1991 (RMA). These include: <ul style="list-style-type: none"> <li>• Runanga</li> <li>• Greymouth Sewerage Scheme – Stage 1</li> <li>• Moana</li> </ul> | <ol style="list-style-type: none"> <li>1. Engage with mana whenua to raise the current situation to their awareness and seek their input as a statutory partner.</li> <li>2. Meets with West Coast Regional Council (WCRC) to discuss and agree on the next steps to advance the applications, including any technical assessments or additional data needed.</li> <li>3. Agrees a programme to advance the application.</li> <li>4. Capital budget has been set aside to upgrade the three treatment plants.</li> </ol> | ✓                          |                              |                          |
| <b>Deferred renewals.</b><br>The outcome from condition assessments carried out to date confirms we have deferred renewals which need to be addressed in order to maintain levels of service and avoid potential critical failures.<br>While the Wastewater activity has the smallest backlog of deferred renewals among the three waters activities of around \$2.3 million, there are a number of significant renewals coming up during the LTP.   | <ol style="list-style-type: none"> <li>1. Use information from condition assessments to identify priority areas for renewals based on the importance of the infrastructure to consumers and other critical factors, e.g. effect on the environment if failure occurs.</li> </ol>                                                                                                                                                                                                                                         | ✓                          | ✓                            | ✓                        |
| <b>Sewer Separation</b><br>The existing network combines the wastewater and stormwater networks with Greymouth as a result of the older combined system that was transferred to stormwater.                                                                                                                                                                                                                                                          | <ol style="list-style-type: none"> <li>1. Council is working with WCRC and local iwi to address this through a 10-year consent (around 150 properties each year).</li> <li>2. Intended Council priority for these works is: Cobden first, then staged areas in</li> </ol>                                                                                                                                                                                                                                                | ✓                          |                              |                          |

| ISSUE                                                                                                                                                                                                                                                                                                                                                                                               | OPTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                     | Greymouth/Blaketown focusing first on those that have existing Combined Service Outfalls (CSOs).                                                                                                                                                                                                                                                                                                                                                                                                                       |                            |                              |                          |
| <b>Ownership of Community Infrastructure Assets.</b><br>A direct issue as who owns and who will fund this infrastructure asset in the future affects who will make decisions and who will be able to plan for future investment.                                                                                                                                                                    | 1. Status Quo - Potentially not an option if the Government enacts new legislation for change, however for this plan it is assumed stormwater will remain under the stewardship and governance of Council.<br>2. External Organisational Structure - Monitor developments in this area and if status quo is not an option, then ensure the communities that own the infrastructure continue to have a voice in future decision making.                                                                                 | ✓                          | ✓                            | ✓                        |
| <b>Environment and Climate Change</b><br>The projected increased frequency of extreme rainfall events or the increase in rainfall intensities may impact on Council water takes and infrastructure, which may result in a lower level of service with existing water supply services.<br>Existing residential and other developments at risk from coastal erosion and other climate change effects. | 1. Retreat of residential and other developments - May mean abandonment, removal and/or relocation of infrastructure including protection works at new locations.<br>2. Protect existing residential and other developments - Will mean provision of or upgrade of existing infrastructure to protect communities and other infrastructure.<br>3. There will be an ongoing need to monitor and consider solutions to actual or potential coastal erosion in built up areas or where Council infrastructure is at risk. | ✓                          | ✓                            | ✓                        |
| <b>Vulnerability of buried pipes and related infrastructure in soft ground subject to natural hazards such earthquakes and liquefaction.</b><br>Includes climate change.                                                                                                                                                                                                                            | 1. Carry out upgrade works in based on priorities established from condition assessments.<br>2. Managed retreat where other options are not economically feasible.                                                                                                                                                                                                                                                                                                                                                     | ✓                          | ✓                            | ✓                        |
| <b>Wastewater is an important Lifelines component in the event of an emergency.</b>                                                                                                                                                                                                                                                                                                                 | 1. Council will continue to maintain its wastewater network to the best of its ability.                                                                                                                                                                                                                                                                                                                                                                                                                                | ✓                          | ✓                            | ✓                        |
| <b>Council has struggled to deliver its capital programme and keep up with the level of demand in addressing the renewals and maintenance issues in the three waters activities.</b><br>The Utilities & Infrastructure Group delivery, who has responsibility for the water supply activity, also manages Parks and Reserves, Refuse and Recycling, Cemeteries and Public Toilets activities.       | 1. Council will, over the course of this LTP, increase the Utilities and Infrastructure team by five to six FTE to provide a more structured team with an ability to focus on specific areas across renewals and capital works.                                                                                                                                                                                                                                                                                        | ✓                          |                              |                          |



| ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | OPTIONS                                                                                                                                                                                                                                                                                                                                                                                                                       | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>Water industry reform</b><br>A key requirement for Council and all water service providers is to ensure that water services are provided in a cost-effective and financially sustainable manner. This means: <ul style="list-style-type: none"> <li>Revenue sufficiency: is there sufficient revenue to cover the costs (including servicing of debt) of water services delivery?</li> <li>Investment sufficiency: is the projected level of investment sufficient to meet levels of service, regulatory requirements, and provide for growth?</li> <li>Financing sufficiency: are funding and finance arrangements sufficient to meet investment requirements?</li> </ul> | 1. This LTP has been developed in advance of Council's development of its Water Services Delivery Plan. It recommends the programme of investment that must be delivered no matter the future delivery model (in-house or water organisation, stand-alone or joint). Council will engage on the proposed delivery model alongside the Long-Term Plan, with the final Water Service Delivery Plan submitted in September 2025. | ✓                          | ✓                            | ✓                        |

Please also refer to PART C: Council's Financial Strategy and PART D: Infrastructure Strategy for additional information on this activity.

## Local Water Done Well

The Government has introduced its Local Water Done Well (LWDW) policy replacing the previous government's Three Waters / Affordable Waters reform programme. The Policy is being introduced in three stages each with its own piece of legislation.

LWDW aims to:

- address how waters infrastructure across New Zealand is funded and delivered in a financially sustainable manner
- introduce a new regulatory regime for water services delivery, which sets out increased environmental, economic and human health standards and regulations
- support a sustainable workforce that is able to deliver on the forward investment programme and governance requirements.

The Local Government (Water Services Preliminary Arrangements) Act 2024 is the first piece of new legislation. It will require all Councils to develop a Water Services Delivery Plan which provides information about their water services operations, assets, revenue, expenditure, pricing and projected capital expenditure, as well as necessary financing arrangements, as a first step towards future economic regulation.

The Act requires all councils to consult on their arrangements for the future delivery of three of the water services that Council currently manages (commonly known as the three waters). These are:

1. Drinking Water: Ensuring the provision of safe and reliable drinking water to communities.
2. Wastewater: Managing the collection, treatment, and disposal of wastewater to protect public health and the environment.
3. Stormwater: Handling stormwater drainage to reduce flood risk and manage runoff in urban areas.

The Act allows councils to explore and establish new delivery models for water services. The options include:

- Joint Local Government arrangements;
- A Water Services Council Controlled Organisation (WSCCO);

- Consumer Trusts; or
- Continue to deliver water services in-house.

Under the LWDW legislation, all councils need to develop water services delivery plans by September 2025. These plans must provide a current and long-term assessment of councils' water infrastructure, outline the investment required in water services to deliver on projected population growth and development needs, and how councils plan to finance and deliver these plans through their preferred water services delivery model. All councils need to specifically consider their water services delivery models, and consult on options, before outlining this in the final water service delivery plans.

We have progressed significant work in this space, obtaining expert advice and undertaking the due diligence we think is required to understand our options for water services delivery, and what is required to satisfy the requirements for a water services delivery plan.

That work identified two credible options:

- Multi Council Controlled Organisation; and
- In House Business Unit

Consultation on the future water services delivery model is being undertaken under the Local Government (Water Services Preliminary Arrangements) Act 2024 (PA Act). The chosen water services delivery model will inform the development of the water services delivery plan, but we are not required to consult on the plan itself.

Because the submissions on the water service delivery model have not yet been heard and no final decisions have been made on the future delivery of water services, our Long Term Plan has been prepared on the basis of our existing water services arrangements and includes costs for the full nine years of the long-term plan. We have chosen not to incorporate any changes that might take effect from a decision to go with a multi council CCO as there are still too many unknown quantities to make a fully informed nine year financial plan.

We will continue to update you as Council progresses its proposals and decisions are made. In the meantime, we encourage you to have your say on our proposal for the future delivery of Grey's water services once we go out to consultation on our future delivery options.

## How we'll measure our performance

| What we're measuring                         | How we'll measure                                                                                                                                     | Target                                                                          |                                                                                 |                                                                                 |                                                                                 |                                      |
|----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------|--------------------------------------|
|                                              |                                                                                                                                                       | Current Performance (2023/2024)                                                 | Year 1 (2025/2026)                                                              | Years 2 – 3 (2026/2027 – 2027/2028)                                             | Years 4 – 9 (2028/2029 to 2033/2034)                                            | Target Trend (years 1-9)             |
| Performance measure 1 - System adequacy      | Numbers of dry weather sewerage overflows (per 1,000 sewerage connections).<br>Number of service connections: 5,255                                   | Total overflows: 4<br><br>Per 1,000 properties: 0.73<br><br>(5,488 connections) | Total overflows: 9<br><br>Per 1,000 properties: 1.71<br><br>(5,255 connections) | Total overflows: 9<br><br>Per 1,000 properties: 1.71<br><br>(5,255 connections) | Total overflows: 8<br><br>Per 1,000 properties: 1.52<br><br>(5,255 connections) | Improving<br>(Decreasing complaints) |
| Performance measure 2 - Discharge compliance | Compliance with Council's resource consents for discharge from its stormwater system, measured by the number of:                                      |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                      |
|                                              | Number of abatement notices                                                                                                                           | Nil                                                                             | 2                                                                               | 2                                                                               | 2                                                                               | Maintain                             |
|                                              | Number of infringement notices                                                                                                                        | Nil                                                                             | 1                                                                               | 1                                                                               | 1                                                                               | Maintain                             |
|                                              | Number of enforcement orders                                                                                                                          | Nil                                                                             | Nil                                                                             | Nil                                                                             | Nil                                                                             | Maintain                             |
|                                              | Number of successful prosecutions                                                                                                                     | Nil                                                                             | Nil                                                                             | Nil                                                                             | Nil                                                                             | Maintain                             |
| Performance measure 3 – Fault response times | Median response times to reported faults:                                                                                                             | 1 hour 38 minutes                                                               | 1 hour                                                                          | 1 hour                                                                          | 1 hour                                                                          | Maintain                             |
|                                              | <ul style="list-style-type: none"> <li>To get to site (timed from notification)</li> <li>To resolve the problem (timed from notifications)</li> </ul> | 3 hours 40 minutes                                                              | 5 hours                                                                         | 5 hours                                                                         | 4 hours                                                                         | Maintain                             |

| What we're measuring                          | How we'll measure                                                                                                                                                | Target                                                                              |                                                                                    |                                                                                    |                                                                                    |                                   |
|-----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-----------------------------------|
|                                               |                                                                                                                                                                  | Current Performance (2023/2024)                                                     | Year 1 (2025/2026)                                                                 | Years 2 – 3 (2026/2027 – 2027/2028)                                                | Years 4 – 9 (2028/2029 to 2033/2034)                                               | Target Trend (years 1-9)          |
| Performance measure 4 - Customer satisfaction | Number of complaints received, e.g., about odour, faults, blockages, response times (per 1,000 sewerage connections)<br><br>Number of service connections: 5,255 | Total complaints: 101<br><br>Per 1,000 properties: 18.53<br><br>(5,488 connections) | Total complaints: 98<br><br>Per 1,000 properties: 18.65<br><br>(5,255 connections) | Total complaints: 95<br><br>Per 1,000 properties: 18.08<br><br>(5,255 connections) | Total complaints: 90<br><br>Per 1,000 properties: 17.13<br><br>(5,255 connections) | Improving (Decreasing complaints) |

Mandatory performance measures as per Department of Internal Affairs Non-Financial Performance Measures Rules 2024.

Financial information

Activity funding

These activities are mainly funded by:

Targeted Rates

- Properties connected to Council schemes create the need for Council to operate and maintain schemes. It is therefore deemed most appropriate for the rates share to be met by way of a targeted rate.

Subsidies and loans

- New capital works are funded via any available subsidies and loans. The targeted rate meets the required loan repayment.

## Funding impact statement

|                                                                       | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|-----------------------------------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>[A] SOURCES OF OPERATING FUNDING</b>                               |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| General rates, uniform annual general charges, rates penalties        | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Targeted rates                                                        | 3,428                        | 4,281                       | 4,084                       | 4,823                       | 5,808                       | 6,640                       | 6,961                       | 7,064                       | 7,122                       | 7,171                       |
| Subsidies and grants for operating purposes                           | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Fees and charges                                                      | 86                           | 1,826                       | 1,877                       | 1,924                       | 1,964                       | 2,003                       | 2,043                       | 2,084                       | 2,126                       | 2,166                       |
| Internal charges and overheads recovered                              | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Local authorities fuel tax, fines, infringement fees & other receipts | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total sources of operating funding [A]</b>                         | <b>3,514</b>                 | <b>6,106</b>                | <b>5,960</b>                | <b>6,747</b>                | <b>7,772</b>                | <b>8,643</b>                | <b>9,004</b>                | <b>9,148</b>                | <b>9,248</b>                | <b>9,337</b>                |
| <b>[B] APPLICATIONS OF OPERATING FUNDING</b>                          |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Payments to staff and suppliers                                       | 1,445                        | 3,725                       | 3,829                       | 3,862                       | 3,943                       | 4,022                       | 4,102                       | 4,184                       | 4,268                       | 4,349                       |
| Finance costs                                                         | 661                          | 610                         | 740                         | 1,059                       | 1,144                       | 1,148                       | 1,189                       | 1,150                       | 1,083                       | 1,002                       |
| Internal charges and overheads applied                                | 210                          | 365                         | 402                         | 422                         | 439                         | 457                         | 475                         | 492                         | 502                         | 512                         |
| Other operating funding applications                                  | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total applications of operating funding [B]</b>                    | <b>2,316</b>                 | <b>4,700</b>                | <b>4,971</b>                | <b>5,343</b>                | <b>5,526</b>                | <b>5,626</b>                | <b>5,766</b>                | <b>5,826</b>                | <b>5,853</b>                | <b>5,863</b>                |
| <b>Surplus /(deficit) of operating funding [A] - [B]</b>              | <b>1,198</b>                 | <b>1,406</b>                | <b>990</b>                  | <b>1,404</b>                | <b>2,246</b>                | <b>3,017</b>                | <b>3,238</b>                | <b>3,321</b>                | <b>3,395</b>                | <b>3,474</b>                |
| <b>[C] SOURCES OF CAPITAL FUNDING</b>                                 |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Subsidies and grants for capital expenditure                          | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Development and financial contributions                               | 60                           | 350                         | 350                         | 350                         | 350                         | 350                         | 350                         | 350                         | 350                         | 350                         |
| Increase (decrease) in debt                                           | -                            | 2,759                       | 6,272                       | 914                         | (905)                       | (78)                        | (1,401)                     | (1,660)                     | (1,693)                     | (1,730)                     |
| Gross proceeds from sale of assets                                    | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Lump sum contributions                                                | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Other dedicated capital funding                                       | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total sources of capital funding [C]</b>                           | <b>60</b>                    | <b>3,109</b>                | <b>6,622</b>                | <b>1,264</b>                | <b>(555)</b>                | <b>272</b>                  | <b>(1,051)</b>              | <b>(1,310)</b>              | <b>(1,343)</b>              | <b>(1,380)</b>              |
| <b>[D] APPLICATIONS OF CAPITAL FUNDING</b>                            |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Capital expenditure                                                   |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| —to meet additional demand                                            | -                            | 2,300                       | 1,062                       | 35                          | 36                          | 823                         | -                           | -                           | -                           | -                           |
| —to improve the level of service                                      | 818                          | 433                         | 5,249                       | 1,271                       | 340                         | 840                         | 521                         | 303                         | 309                         | 315                         |
| —to replace existing assets                                           | 440                          | 1,482                       | 1,300                       | 1,362                       | 1,316                       | 1,625                       | 1,666                       | 1,708                       | 1,743                       | 1,779                       |
| Increase (decrease) in reserves                                       | -                            | 300                         | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Increase (decrease) of investments                                    | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total applications of capital funding [D]</b>                      | <b>1,258</b>                 | <b>4,515</b>                | <b>7,611</b>                | <b>2,668</b>                | <b>1,691</b>                | <b>3,288</b>                | <b>2,187</b>                | <b>2,012</b>                | <b>2,052</b>                | <b>2,094</b>                |
| <b>Surplus /(deficit) of capital funding [C] - [D]</b>                | <b>(1,198)</b>               | <b>(1,406)</b>              | <b>(990)</b>                | <b>(1,404)</b>              | <b>(2,246)</b>              | <b>(3,017)</b>              | <b>(3,238)</b>              | <b>(3,321)</b>              | <b>(3,395)</b>              | <b>(3,474)</b>              |
| <b>Funding balance [A - B] + [C - D]</b>                              | <b>-</b>                     | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    |

## Profit and loss for group of activities

The previous funding impact statement summarises all the money to be raised (sources of funds) and where it is to be spent (application of funding). It does not take into account any transactions that have no direct funding impact ('non cash' transactions), such as depreciation. Some of these transactions have a material impact on Council's surplus/deficit, most notably depreciation. Depreciation is discussed in more detail in PART C: Council's Financial Strategy. It is therefore important to consider the impact of these transactions for each group of activities. This will also allow you to see how each group of activities contributes to Council's overall financial performance detailed later in this plan

|                                                          | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|----------------------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>REVENUE</b>                                           |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Rates revenue                                            | 3,428                        | 4,030                       | 3,981                       | 4,702                       | 5,747                       | 6,679                       | 6,951                       | 6,912                       | 6,825                       | 6,728                       |
| Subsidies and grants                                     | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Fees and Charges                                         | 106                          | 1,826                       | 1,877                       | 1,924                       | 1,964                       | 2,003                       | 2,043                       | 2,084                       | 2,126                       | 2,166                       |
| Other revenue                                            | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Development and financial contributions                  | 7                            | 350                         | 350                         | 350                         | 350                         | 350                         | 350                         | 350                         | 350                         | 350                         |
| <b>Total Income</b>                                      | <b>3,541</b>                 | <b>6,205</b>                | <b>6,208</b>                | <b>6,976</b>                | <b>8,061</b>                | <b>9,032</b>                | <b>9,344</b>                | <b>9,346</b>                | <b>9,301</b>                | <b>9,244</b>                |
| <b>EXPENDITURE</b>                                       |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Depreciation and amortisation expense                    | 1,939                        | 2,250                       | 2,549                       | 2,658                       | 2,683                       | 2,921                       | 2,959                       | 2,990                       | 3,203                       | 3,233                       |
| Finance costs                                            | 610                          | 610                         | 744                         | 1,096                       | 1,133                       | 1,148                       | 1,146                       | 1,090                       | 1,011                       | 926                         |
| Other expenses                                           | 1,640                        | 3,839                       | 3,977                       | 4,019                       | 4,111                       | 4,202                       | 4,294                       | 4,387                       | 4,475                       | 4,563                       |
| <b>Total Expenditure</b>                                 | <b>4,190</b>                 | <b>6,700</b>                | <b>7,270</b>                | <b>7,774</b>                | <b>7,927</b>                | <b>8,270</b>                | <b>8,398</b>                | <b>8,467</b>                | <b>8,690</b>                | <b>8,722</b>                |
| <b>Surplus /(deficit) of operating funding [A] - [B]</b> | <b>(649)</b>                 | <b>(494)</b>                | <b>(1,062)</b>              | <b>(798)</b>                | <b>134</b>                  | <b>762</b>                  | <b>945</b>                  | <b>879</b>                  | <b>611</b>                  | <b>521</b>                  |

## Significant expenditure

Please refer to the Infrastructure Strategy for details.

## How we manage our assets that support this activity

Council has an extensive level of information about its Wastewater and associated assets in the Activity Management Plan (AMP). The AMP also contains detailed service level information such as network condition and capacity, treated sewerage effluent standards, continuity of supply, response to complaints, and criteria for maintenance, renewals, and upgrades. The AMP details how Council will comply with all relevant legislation and regulatory requirements at all times.

Assets that are critical to the system are monitored proactively and decisions are made about maintenance, upgrades and renewals as needed. Council also responds to information from customers and contractors, as well as resident surveys and enquiries.

## Proposed changes to levels of service

The focus over the next three years is to maintain existing levels of service taking into account projected population growth or decline, past workloads and other demand factors.

### Additional capacity

The AMP shows no significant increase in demand based on population growth projections.

With respect to subdivision development, requirements are in place to recover the costs of any required increase in capacity.

### Key assumptions about the useful life of assets and the sources of funding for replacement

Assumptions regarding the life of assets include:

- Assets will perform to the required standard for the duration of their useful lives as provided for in the AMP. It is assumed that assets will be replaced at the end of their useful life, noting various factors can affect the service life of an asset.
- Where assets remain in service beyond their useful life, they will be regularly assessed as to their condition to ensure they remain safe to use.
- Known areas where the service life is less than the typical assumed average service life based on the type of materials used are Runanga and Dunollie

Assumptions regarding sources of funding for replacement of assets are:

- Project costs will primarily be funded through loans funded over the expected life of the asset.
- Other sources of funding include:
  - Rates and user charges
  - Financial contributions
  - Special reserve funds
  - Financial assistance (primarily from Ministry of Health)

### Significant potential negative effects of this activity

- The capacity of sewerage systems may be exceeded in extreme weather events which may result in wastewater overflows.
- Component failure may also cause system under-performance which, in turn can result in overflows.
- Increased severity of damage if failure of activity component(s) occurs, e.g. main line breakage.
- Lack of ability to fund required works and services.
- Insufficient service provision by service providers (poor design and/or work standards).
- Public land/property/space not available for other uses.

# Water supply

Also refer to PART D: Infrastructure Strategy for more information on this activity.

## Activities included in this group

This activity includes sourcing, treating and distributing water from the following Council water supply schemes:

- Greater Greymouth (Greymouth, Cobden, Blaketown, Boddytown, Karoro, South Beach, Paroa, Taylorville, Dobson and Stillwater, Kaiata, Runanga/Rapahoe/Dunollie)
- Blackball

## Why we are involved in these activity/these activities

Water is a basic need and an essential service. We provide quality, affordable water and, in the process contribute to:

- Our community's health
- Community safety (through water supply for firefighting)
- Industrial and residential development

## Contribution to Council's Vision and Outcomes

| Outcome                        | The Grey District has:                                                                                                                                                                                               |
|--------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Economic Wellbeing</b>      |                                                                                                                                                                                                                      |
| Strong Sustainable             | <ul style="list-style-type: none"><li>• The effective management, treatment and maintenance of water and water supply systems is integral to providing for a strong and sustainable economy.</li></ul>               |
| <b>Social Wellbeing</b>        |                                                                                                                                                                                                                      |
| Safe                           | <ul style="list-style-type: none"><li>• The effective management, treatment and maintenance of water supply systems is fundamental to the health and safety of people within the community.</li></ul>                |
| <b>Environmental Wellbeing</b> |                                                                                                                                                                                                                      |
| Practical Resilient Strategic  | <ul style="list-style-type: none"><li>• The effective and strategic management, treatment and maintenance of water and water supply systems ensures resiliency of the environment now and into the future.</li></ul> |

## What we'll provide

The water supply networks operated and maintained by Council require approximately 226km of pipes, 15 reservoirs, two water treatment plants and 15 pump stations to deliver over 2.6 billion litres of water per year.

There are over 5,200 households and businesses connected to a Council scheme. Approximately 12% of the District's population provide their own water supply.

A summary of Council's water infrastructure and distribution is as follows:

|                       | Greater Greymouth scheme | Blackball scheme |
|-----------------------|--------------------------|------------------|
| Number of connections | 5,068                    | 200              |

Providing good quality water supply to our community is a core business for Council. Council is responsible for the operation and maintenance of these water schemes, which includes:

- Managing and maintaining the network so water is constantly available on demand and is delivered at an appropriate quality (colour and taste) and quantity (pressure and flow) (in part to meet firefighting requirements).
- Responding promptly to fix all faults.
- Detecting and fixing leaks, installing water meters for large commercial water users and water meter readings.
- Planning and carrying out renewals to replace assets in a timely manner.
- Monitoring water quality to ensure it meets the required standard and is not contaminated or presenting a health risk.
- Planning to respond to emergency events that may damage the network, such as earthquakes. We often refer to this as Lifelines Planning, as lifelines are critical services that will be needed during an emergency event.
- Forward planning to ensure future demand can be met, taking into account anticipated growth and other factors such as climate change impacts.

The physical works required for the maintenance of the schemes is contracted out, typically for five year contracts. Major renewals or new capital works are also contracted out via tender.

## Drinking water standards

Since 2008, the Council has invested approximately \$5 million in upgrading schemes to comply with the New Zealand Drinking Water Standards. During this period, the Ministry of



Health monitored and reported on the compliance of all community water supplies with these regulations, including those in the Grey District.

Following the creation of the new drinking water regulator, Taumata Arowai, a new standard, the Drinking Water Quality Assurance Rules, came into effect on 14 November 2022. From 1 January 2023, the Council no longer met full compliance under these new rules and effectively became non-compliant overnight, despite no change to the treated product.

Under the previous set of Rules, Council complied with all Rules with the exception of a chemical non-compliance with HAA in the Greymouth reticulation. It is important to note that under the new Rules, Council no longer meets full compliance and requires treatment upgrades in order to comply. Funding for these treatment upgrades have been included in this LTP and Council expects to address issues at both plants by 2026 as follows:

- Greater Greymouth Water Treatment Plant aims to achieve compliance by using UV disinfection for protozoa compliance and chlorination for bacterial compliance and some form of filtration (such as sand with appropriate coagulants).
- Blackball has no pre-treatment and filtration before UV, which under the new rules is required.

### Grey District Water Supplies

| Scheme            |                                                                                                                                                                       | Population |
|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| Blackball         | Health Act: complied<br>Standards: Bacterial met; Protozoal not met;<br>Chemical met.<br>The water supply uses surface water and is treated by UV and chlorinated.    | 310        |
| Greater Greymouth | Health Act: complied<br>Standards: Bacterial met; Protozoal not met;<br>Chemical not met*<br>The water supply uses ground water and is treated by UV and chlorinated. | 8,640      |

*\*Greymouth failed compliance because drinking-water for 6,000 people exceeded the MAV for disinfection by-products on one occasion.*

## Issues and options facing the activity

| ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | OPTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <p><b>Deferred renewals.</b></p> <p>The outcome from condition assessments carried out to date confirm we have deferred renewals which need to be addressed in order to maintain levels of service and avoid potential critical failures.</p> <p>The water supply activity has the largest backlog of deferred renewals across the three waters, estimated to be approximately \$30.3 million.</p> <p>Implications include:</p> <ul style="list-style-type: none"> <li>Build-up of disinfection by-products, interfering with compliance rates. This is caused by high concentrations of natural organic matter in the source water. Levels fluctuate and non-compliance is intermittent. The situation may be aggravated by older-internally rougher pipes retaining buildup on the inside of the pipes.</li> <li>Old pipes are generally more rigid/brittle, which means in a seismic effect they are more likely to fail.</li> </ul> | <ol style="list-style-type: none"> <li>Increase funding levels, i.e. from rates and use of debt in the early years.</li> <li>Carry out upgrade works based on priorities established from condition assessments.</li> <li>Increase investment over the early years of the LTP to address the backlog and future renewals over a 29-year period.</li> <li>Investigate advantages and disadvantages of water metering for all consumers (will reduce demand).</li> <li>Pressure reduction to extend the life of assets where feasible and acceptable to consumers.</li> <li>Improve efficiencies.</li> <li>Utilise more cost effective materials, operations and construction methods.</li> </ol> | ✓                          | ✓                            | ✓                        |
| <p><b>Addressing leaks</b></p> <p>High leakage rates which are made worse by high pressures in some areas (upwards of 70%). Addressing leakage is reducing Council's internal staff capacity to deliver other aspects of the three water's programme, as well as increasing operating costs with money being spent on contractors to address leaks. Council is also treating a much higher volume of water than is actually required by the community.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <ol style="list-style-type: none"> <li>Council is working with external contractors such as Leak Detection Services to investigate how to detect and reduce the leakage across the network.</li> <li>Implement a trial of smart meters to enable reporting, isolating, measuring and addressing the issue of leaks across the district. Trial areas will be tested in the first financial year with full implementation across the district planned for Years 6-9 once Council has quantified the water loss savings.</li> </ol>                                                                                                                                                                | ✓                          |                              |                          |
| <p><b>Council has struggled to deliver its capital programme and keep up with the level of demand in addressing the renewals and maintenance issues in the three waters activities.</b></p> <p>The Utilities &amp; Infrastructure Group delivery, who has responsibility for the water supply activity, also manages Parks and Reserves, Refuse and Recycling, Cemeteries and Public Toilets activities.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <ol style="list-style-type: none"> <li>Council will, over the course of this LTP, increase the Utilities and Infrastructure team by five to six FTE to provide a more structured team with an ability to focus on specific areas across renewals and capital works.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                  | ✓                          |                              |                          |

| ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | OPTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>Environment and Climate Change</b><br>The projected increased frequency of extreme rainfall events or the increase in rainfall intensities may impact on Council water takes and infrastructure, which may result in a lower level of service with existing water supply services.<br>Existing residential and other developments at risk from coastal erosion and other climate change effects.<br>Communities at Rapahoe and southern end of lower Cobden currently at risk.                                                                                                                                                                                                  | 2. Council as part of this activity is investigating new water sources to help address the water security issues caused by the network leakages and climate irregularities in the future.<br>3. Monitor progress, assess and recommend infrastructure strategies for activities in the next LTP.                                                                                                                                                                                                                                                    | ✓                          | ✓                            | ✓                        |
| <b>Water Treatment Plants/Compliance</b><br>Both the Greater Greymouth (GGWTP) and Blackball water treatment plants require upgrades to meet new drinking water standards. These plants have been non-compliant since the current Drinking Water Standards for New Zealand came into effect in November 2022. Council expects to address issues at both plants by 2026: <ul style="list-style-type: none"> <li>Greater Greymouth Water Treatment Plant aims to achieve compliance by using UV disinfection for protozoa compliance and chlorination for bacterial compliance.</li> <li>Blackball has no pre-treatment before UV, which under the new rules is required.</li> </ul> | 1. Council has commenced investigations (early water sampling assessments and testing of the new treatment site) on the GGWTP, with some testing and sampling of the new site and engagement of a consultant for the final concept before going to the market for tender.<br>2. Develop short, medium, long-term plan to provide compliant water for the Greater Greymouth Scheme<br>3. Engage consultant to progress this forward and develop the concept to go for market for tender.<br>4. Commence investigation work for the Blackball scheme. | ✓                          |                              |                          |
| <b>Damage to pump stations, reservoirs, treatment plants and other water supply infrastructure from natural hazards.</b><br>e.g., earthquakes.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 1. Review resilience of infrastructure components at the time components fall due for replacement.                                                                                                                                                                                                                                                                                                                                                                                                                                                  | ✓                          |                              |                          |
| <b>Water industry reform</b><br>A key requirement for Council and all water service providers is to ensure that water services are provided in a cost-effective and financially sustainable manner. This means: <ul style="list-style-type: none"> <li>Revenue sufficiency: is there sufficient revenue to cover the costs (including servicing of debt) of water services delivery?</li> <li>Investment sufficiency: is the projected level of investment sufficient to meet levels of service, regulatory requirements, and provide for growth?</li> <li>Financing sufficiency: are funding and finance arrangements sufficient to meet investment requirements?</li> </ul>      | 1. This draft LTP has been developed in advance of Council's development of its Water Services Delivery Plan. It recommends the programme of investment that must be delivered no matter the future delivery model (in-house or water organisation, stand-alone or joint). Council will engage on the proposed delivery model alongside the Long-Term Plan, with the final Water Service Delivery Plan submitted in September 2025.                                                                                                                 | ✓                          |                              |                          |

Please also refer to PART C: Council's Financial Strategy and PART D: Infrastructure Strategy for additional information on this activity.

### Local Water Done Well

The Government has introduced its Local Water Done Well (LWDW) policy replacing the previous government's Three Waters / Affordable Waters reform programme. The Policy is being introduced in three stages each with its own piece of legislation.

LWDW aims to:

- address how waters infrastructure across New Zealand is funded and delivered in a financially sustainable manner
- introduce a new regulatory regime for water services delivery, which sets out increased environmental, economic and human health standards and regulations
- support a sustainable workforce that is able to deliver on the forward investment programme and governance requirements.

The Local Government (Water Services Preliminary Arrangements) Act 2024 is the first piece of new legislation. It will require all Councils to develop a Water Services Delivery Plan which provides information about their water services operations, assets, revenue, expenditure, pricing and projected capital expenditure, as well as necessary financing arrangements, as a first step towards future economic regulation.

The Act requires all councils to consult on their arrangements for the future delivery of three of the water services that Council currently manages (commonly known as the three waters). These are:

1. Drinking Water: Ensuring the provision of safe and reliable drinking water to communities.
2. Wastewater: Managing the collection, treatment, and disposal of wastewater to protect public health and the environment.
3. Stormwater: Handling stormwater drainage to reduce flood risk and manage runoff in urban areas.

The Act allows councils to explore and establish new delivery models for water services. The options include:

- Joint Local Government arrangements;
- A Water Services Council Controlled Organisation (WSCCO);
- Consumer Trusts; or
- Continue to deliver water services in-house.

Under the LWDW legislation, all councils need to develop water services delivery plans by September 2025. These plans must provide a current and long-term assessment of councils' water infrastructure, outline the investment required in water services to deliver on projected population growth and development needs, and how councils plan to finance and deliver these plans through their preferred water services delivery model. All councils need to specifically consider their water services delivery models, and consult on options, before outlining this in the final water service delivery plans.

We have progressed significant work in this space, obtaining expert advice and undertaking the due diligence we think is required to understand our options for water services delivery, and what is required to satisfy the requirements for a water services delivery plan.

That work identified two credible options:

- Multi Council Controlled Organisation; and
- In House Business Unit

Consultation on the future water services delivery model is being undertaken under the Local Government (Water Services Preliminary Arrangements) Act 2024 (PA Act). The chosen water services delivery model will inform the development of the water services delivery plan, but we are not required to consult on the plan itself.

Because the submissions on the water service delivery model have not yet been heard and no final decisions have been made on the future delivery of water services, our Long Term Plan has been prepared on the basis of our existing water services arrangements, an in house business unit and includes costs for the full nine years of the long-term plan. We have chosen not to incorporate any changes that might take effect from a decision to go with a multi council CCO as there are still too many unknown quantities to make a fully informed nine year financial plan.

We will continue to update you as Council progresses its proposals and decisions are made. In the meantime, we encourage you to have your say on our proposal for the future delivery of Grey's water services once we go out to consultation on our future delivery options.

## How we'll measure our performance

| What we're measuring                                            | How we'll measure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Target                                               |                                                      |                                                  |                                                  |                                                                        |
|-----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|--------------------------------------------------|--------------------------------------------------|------------------------------------------------------------------------|
|                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Current Performance (2023/2024)                      | Year 1 (2025/2026)                                   | Years 2 – 3 (2026/2027 – 2027/2028)              | Years 4 – 9 (2028/2029 to 2033/2034)             | Target Trend (years 1-9)                                               |
| Performance measure 1 - Safety of drinking water                | <p>The extent to which the local authority's drinking water supply complies with the following parts of the drinking water quality assurance rules:</p> <p>4.4 T1 Treatment Rules</p> <p>4.5 D1.1 Distribution System Rule</p> <p>4.7.1 T2 Treatment Monitoring Rules</p> <p>4.7.2 T2 Filtration Rules</p> <p>4.7.3 T2 UV Rules</p> <p>4.7.4 T2 Chlorine Rules</p> <p>4.8 D2.1 Distribution System Rule</p> <p>4.10.1 T3 Bacterial Rules</p> <p>4.10.2 T3 Protozoal Rules</p> <p>4.11.5 D3.29 Microbiological Monitoring Rule</p> | <p>Greater Greymouth scheme:</p> <p>Not achieved</p> | <p>Greater Greymouth scheme:</p> <p>Not achieved</p> | <p>Greater Greymouth scheme:</p> <p>Achieved</p> | <p>Greater Greymouth scheme:</p> <p>Achieved</p> | Improving (Upgrading our water treatment plants to achieve compliance) |
|                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <p>Blackball Scheme:</p> <p>Not achieved</p>         | <p>Blackball Scheme:</p> <p>Not achieved</p>         | <p>Blackball Scheme:</p> <p>Not Achieved</p>     | <p>Blackball Scheme:</p> <p>Achieved</p>         |                                                                        |
| Performance measure 2 - Maintenance of the reticulation network | <p>The percentage of real water loss from the local authority's networked reticulation system</p> <p>Council will use water meter information, bulk production meters and any other information available to complete a desktop analysis of real water loss over the reporting year.</p>                                                                                                                                                                                                                                          |                                                      |                                                      |                                                  |                                                  |                                                                        |

| What we're measuring                         | How we'll measure                                                                                                                                                                                                                                                                                                                        | Target                          |                    |                                     |                                      |                                        |
|----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|--------------------|-------------------------------------|--------------------------------------|----------------------------------------|
|                                              |                                                                                                                                                                                                                                                                                                                                          | Current Performance (2023/2024) | Year 1 (2025/2026) | Years 2 – 3 (2026/2027 – 2027/2028) | Years 4 – 9 (2028/2029 to 2033/2034) | Target Trend (years 1-9)               |
|                                              | Greater Greymouth Greater water scheme                                                                                                                                                                                                                                                                                                   | 65%                             | 65%                | 55%                                 | 45%                                  | Improving (Decreasing water loss)      |
|                                              | Blackball water scheme                                                                                                                                                                                                                                                                                                                   | 42%                             | 42%                | 39%                                 | 35%                                  | Improving (Decreasing water loss)      |
| Performance measure 3 – Fault response times | Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured:<br><br>Attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site | 17.57 hours                     | 1 hour             | 1 hour                              | 1 hour                               | Maintain                               |
|                                              | Resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.                                                                                                                                                         | 19.21 hours                     | 5 hours            | 5 hours                             | 4 hours                              | Improving (Decreasing resolution time) |
|                                              | Attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site                                                                                                                                                                                      | 47.27 hours                     | 1.5 working days   | 1.5 working days                    | 1.5 working days                     | Maintain                               |
|                                              | Resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption                                                                                                                                                      | 43.22 hours                     | 5 working days     | 5 working days                      | 3 working days                       | Improving (Decreasing resolution time) |

| What we're measuring                          | How we'll measure                                                                                                                                                                                                                                                                                                                                                                                                                              | Target                                                                                  |                                                                                           |                                                                                            |                                                                                            |                                   |
|-----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-----------------------------------|
|                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                | Current Performance (2023/2024)                                                         | Year 1 (2025/2026)                                                                        | Years 2 – 3 (2026/2027 – 2027/2028)                                                        | Years 4 – 9 (2028/2029 to 2033/2034)                                                       | Target Trend (years 1-9)          |
| Performance measure 4 - Customer Satisfaction | <p>The total number of complaints received by the local authority about any of the following:</p> <ul style="list-style-type: none"> <li>drinking water clarity</li> <li>drinking water taste</li> <li>drinking water odour</li> <li>drinking water pressure or flow</li> <li>continuity of supply, and</li> <li>Council's response to any of these issues</li> </ul> <p>expressed per 1,000 connections to Council's reticulation system.</p> | <p>Total complaints: 51</p> <p>Per 1,000 properties: 9.7</p> <p>(5,233 connections)</p> | <p>Total complaints: 147</p> <p>Per 1,000 properties: 27.9</p> <p>(5,268 connections)</p> | <p>Total complaints: 133</p> <p>Per 1,000 properties: 25.25</p> <p>(5,268 connections)</p> | <p>Total complaints: 123</p> <p>Per 1,000 properties: 23.35</p> <p>(5,268 connections)</p> | Improving (Decreasing complaints) |
| Performance measure 5 - Demand Management     | The average consumption of drinking water per day per resident within the Grey District.                                                                                                                                                                                                                                                                                                                                                       | 741 litres per person per day                                                           | < 640 litres per person per day                                                           | < 640 litres per person per day                                                            | < 550 litres per person per day                                                            | Improving (Decreasing water use)  |

Mandatory performance measures as per Department of Internal Affairs Non-Financial Performance Measures Rules 2024.

# Financial information

## Activity funding

These activities are funded by:

### Rates

- Targeted rates charged to properties connected or able to connect to one of our water schemes
- Water meter charges to connected commercial properties that use greater than 300m3 per annum (300,000 litres)

### User charges and other revenue

- Contributions from developers for new sections connecting to schemes

### Subsidies and grants

- Subsidies from central government to upgrade schemes to higher standards (where available)



## Funding impact statement

|                                                                       | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|-----------------------------------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>[A] SOURCES OF OPERATING FUNDING</b>                               |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| General rates, uniform annual general charges, rates penalties        | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Targeted rates                                                        | 3,648                        | 4,650                       | 3,977                       | 4,728                       | 7,753                       | 9,102                       | 9,869                       | 11,301                      | 12,763                      | 10,566                      |
| Subsidies and grants for operating purposes                           | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Fees and charges                                                      | 260                          | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Internal charges and overheads recovered                              | 451                          | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Local authorities fuel tax, fines, infringement fees & other receipts | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total sources of operating funding [A]</b>                         | <b>4,359</b>                 | <b>4,650</b>                | <b>3,977</b>                | <b>4,728</b>                | <b>7,753</b>                | <b>9,102</b>                | <b>9,869</b>                | <b>11,301</b>               | <b>12,763</b>               | <b>10,566</b>               |
| <b>[B] APPLICATIONS OF OPERATING FUNDING</b>                          |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Payments to staff and suppliers                                       | 1,595                        | 2,209                       | 2,240                       | 2,296                       | 2,344                       | 2,368                       | 2,415                       | 2,463                       | 2,513                       | 2,560                       |
| Finance costs                                                         | 422                          | 447                         | 605                         | 996                         | 1,324                       | 1,470                       | 1,520                       | 1,573                       | 1,650                       | 1,586                       |
| Internal charges and overheads applied                                | -                            | 443                         | 488                         | 513                         | 533                         | 555                         | 577                         | 599                         | 611                         | 623                         |
| Other operating funding applications                                  | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total applications of operating funding [B]</b>                    | <b>2,017</b>                 | <b>3,099</b>                | <b>3,332</b>                | <b>3,805</b>                | <b>4,201</b>                | <b>4,393</b>                | <b>4,512</b>                | <b>4,635</b>                | <b>4,773</b>                | <b>4,769</b>                |
| <b>Surplus /(deficit) of operating funding [A] - [B]</b>              | <b>2,342</b>                 | <b>1,550</b>                | <b>645</b>                  | <b>923</b>                  | <b>3,552</b>                | <b>4,709</b>                | <b>5,357</b>                | <b>6,667</b>                | <b>7,990</b>                | <b>5,797</b>                |
| <b>[C] SOURCES OF CAPITAL FUNDING</b>                                 |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Subsidies and grants for capital expenditure                          | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Development and financial contributions                               | 20                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Increase (decrease) in debt                                           | -                            | 3,507                       | 8,061                       | 6,199                       | 1,899                       | (154)                       | 200                         | 951                         | (1,443)                     | (1,496)                     |
| Gross proceeds from sale of assets                                    | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Lump sum contributions                                                | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Other dedicated capital funding                                       | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total sources of capital funding [C]</b>                           | <b>20</b>                    | <b>3,507</b>                | <b>8,061</b>                | <b>6,199</b>                | <b>1,899</b>                | <b>(154)</b>                | <b>200</b>                  | <b>951</b>                  | <b>(1,443)</b>              | <b>(1,496)</b>              |
| <b>[D] APPLICATIONS OF CAPITAL FUNDING</b>                            |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Capital expenditure                                                   |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| —to meet additional demand                                            | -                            | -                           | -                           | 2,107                       | -                           | -                           | -                           | -                           | -                           | -                           |
| —to improve the level of service                                      | 842                          | 3,225                       | 6,723                       | 2,729                       | 2,679                       | 1,196                       | 1,668                       | 3,642                       | 2,492                       | 166                         |
| —to replace existing assets                                           | 1,259                        | 1,832                       | 1,983                       | 2,286                       | 2,772                       | 3,359                       | 3,890                       | 3,975                       | 4,055                       | 4,134                       |
| Increase (decrease) in reserves                                       | 261                          | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Increase (decrease) of investments                                    | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total applications of capital funding [D]</b>                      | <b>2,362</b>                 | <b>5,057</b>                | <b>8,706</b>                | <b>7,122</b>                | <b>5,451</b>                | <b>4,555</b>                | <b>5,558</b>                | <b>7,617</b>                | <b>6,547</b>                | <b>4,301</b>                |
| <b>Surplus /(deficit) of capital funding [C] - [D]</b>                | <b>(2,342)</b>               | <b>(1,550)</b>              | <b>(645)</b>                | <b>(923)</b>                | <b>(3,552)</b>              | <b>(4,709)</b>              | <b>(5,357)</b>              | <b>(6,667)</b>              | <b>(7,990)</b>              | <b>(5,797)</b>              |
| <b>Funding balance [A - B] + [C - D]</b>                              | <b>-</b>                     | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    |

## Profit and loss for group of activities

The previous funding impact statement summarises all the money to be raised (sources of funds) and where it is to be spent (application of funding). It does not take into account any transactions that have no direct funding impact ('non cash' transactions), such as depreciation. Some of these transactions have a material impact on Council's surplus/deficit, most notably depreciation. Depreciation is discussed in more detail in PART C: Council's Financial Strategy. It is therefore important to consider the impact of these transactions for each group of activities. This will also allow you to see how each group of activities contributes to Council's overall financial performance detailed later in this plan

|                                                          | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|----------------------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>REVENUE</b>                                           |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Rates revenue                                            | 3,648                        | 4,627                       | 4,766                       | 5,813                       | 7,653                       | 8,993                       | 9,752                       | 11,101                      | 12,390                      | 10,020                      |
| Subsidies and grants                                     | 15                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Fees and Charges                                         | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Other revenue                                            | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Development and financial contributions                  | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total Income</b>                                      | <b>3,663</b>                 | <b>4,627</b>                | <b>4,766</b>                | <b>5,813</b>                | <b>7,653</b>                | <b>8,993</b>                | <b>9,752</b>                | <b>11,101</b>               | <b>12,390</b>               | <b>10,020</b>               |
| <b>EXPENDITURE</b>                                       |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Depreciation and amortisation expense                    | 1,276                        | 1,544                       | 1,788                       | 1,925                       | 2,026                       | 2,254                       | 2,322                       | 2,440                       | 2,753                       | 2,929                       |
| Finance costs                                            | 454                          | 447                         | 596                         | 942                         | 1,204                       | 1,332                       | 1,363                       | 1,396                       | 1,458                       | 1,389                       |
| Other expenses                                           | 2,029                        | 2,430                       | 2,504                       | 2,574                       | 2,637                       | 2,677                       | 2,740                       | 2,805                       | 2,861                       | 2,919                       |
| <b>Total Expenditure</b>                                 | <b>3,760</b>                 | <b>4,421</b>                | <b>4,889</b>                | <b>5,442</b>                | <b>5,866</b>                | <b>6,263</b>                | <b>6,425</b>                | <b>6,641</b>                | <b>7,072</b>                | <b>7,237</b>                |
| <b>Surplus /(deficit) of operating funding [A] - [B]</b> | <b>(97)</b>                  | <b>206</b>                  | <b>(122)</b>                | <b>372</b>                  | <b>1,787</b>                | <b>2,730</b>                | <b>3,327</b>                | <b>4,459</b>                | <b>5,318</b>                | <b>2,783</b>                |

## Significant expenditure

Please refer to the Infrastructure Strategy for details.

## How we manage our assets that support this activity

Council has an extensive level of information about its Water and associated assets in the Activity Management Plan (AMP). The AMP also contains detailed service level information such as network condition and capacity, water quality standards, continuity of supply, response to complaints, and criteria for maintenance, renewals and upgrades. It also details how Council will comply with all relevant legislation and regulatory requirements at all times.

Assets that are critical to the system are monitored proactively and decisions made about maintenance, upgrades and renewals as needed. Council also responds to information from customers and contractors, as well as resident surveys and enquiries.

## Proposed changes to levels of service

Our work programme over the next three years is based on past workloads and set at a level to maintain existing levels of service taking into account projected population growth/decline and other demand factors.

As part of the last LTP, Omoto reservoir was to be replaced with five new reservoirs around the District. During the last LTP, two reservoirs were completed (Arnott Heights and Tasman Views). In years 1-7 on this LTP, it is planned to construct the remaining three reservoirs in Cobden, Rapahoe and Puketahi Street. Once completed, this allows for additional storage capacity and improved resilience.

Council is also planning on upgrading water treatment plants at Blackball and Greymouth to comply with new drinking water standards which came into effect in 2022.

### Additional capacity

The AMP contains detailed assessment of anticipated increases in demand. Essentially over the next 30 years there is unlikely to be any anticipated significant increase in demand based on population growth projections. The assumption may be incorrect for instance if there is a commercial venture initiated that does require a significant water supply. However no commercial ventures requiring large water supply requirements from Council have been signalled during the preparation of this Plan.

The next LTP includes the following projects for consideration:

- New reticulated water supply for Moana, depending on future growth.
- Increase capacity of Blackball scheme, depending on future growth/tourism recovery.

## Key assumptions about the useful life of assets and the sources of funding for replacement

Assumptions regarding the life of assets include:

- Assets will perform to the required standard for the duration of its useful lives as provided for in the AMP. It assumed that assets will be replaced at the end of their useful life, noting various factors can affect the service life of an asset.
- Where assets remain in service beyond their useful life, they will be regularly assessed as to their condition to ensure they remain safe to use.

Assumptions regarding sources of funding for replacement of assets are:

- Project costs will primarily be funded through loans funded over the expected life of the asset.
- Other sources of funding include:
  - Rates
  - Financial contributions
  - Special Reserve funds
  - User fees
  - Ministry of Health subsidies (if available in the future)

## Significant potential negative effects of this activity

- Lack of ability to fund required works and services.
- Increased severity of damage if failure of activity component(s) occurs, e.g. main line breakage.
- Insufficient component/service capacity for adverse events (Drought, Floods, Erosion, Earthquakes, Fuel Spills).
- Insufficient service provision by service providers (poor design and/or work standards).
- Public land/property/space is not available for other uses.

Council's water take remains well within its allocation and is not considered harmful to the water sources. Council also continues to promote the responsible use of water.

Projects associated with the maintenance and renewal of Council's reticulation system require land disturbance but this is managed with a view to reducing any negative impact as far as possible.

# Refuse & Recycling

## Activities included in this group

Refuse & Recycling involves:

- Refuse collection
- Recovery of recyclable materials
- Management of Landfill and Clean fill and Resource Recovery Centres
- Management of minor quantities of hazardous waste
- Litter Bin management
- Waste minimisation
- Environmental monitoring, also of closed refuse facilities

Litter control is a Regulatory function and is covered under a separate Activity Management Plan.

## Why we are involved in this activity/these activities

Solid waste management is necessary for the health and quality of life of the community, the local economy and the environment.

## Contribution to Council’s Vision and Outcomes

| Outcome                        | Contribution                                                                                                                         |
|--------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|
| <b>Economic Wellbeing</b>      |                                                                                                                                      |
| Strong Sustainable             | Efficient and responsible management of refuse and Recycling is an integral to providing for a strong and sustainable economy.       |
| <b>Social Wellbeing</b>        |                                                                                                                                      |
| Safe                           | Efficient and responsible management of refuse and Recycling is fundamental to the health and safety of people within the community. |
| <b>Environmental Wellbeing</b> |                                                                                                                                      |
| Practical Resilient Strategic  | Effective, strategic, and responsible management of refuse and Recycling provides for resiliency of the environment.                 |

## What we’ll provide

The Refuse & Recycling infrastructure includes:

- McLeans Landfill and McLeans Recycling Centre, providing for:

- Waste disposal in cells.
- Buildings and associated infrastructure for waste recovery and refuse recycling.
- Resource centres providing for limited capacity waste transfer facilities with waste from time to time transferred to McLeans landfill:
  - Moana Resource and Recovery Centre
  - Blackball Resource and Recovery Centre
  - Nelson Creek Resource and Recovery Centre

Council’s services provide the following:

- Fortnightly kerbside refuse (140L) and recycling (240L) wheelie bin collection (collected on alternate weeks) for the CBD and all of Greymouth (except for Moana and Te Kinga).
- Weekly refuse bag collection, handling and disposal for Moana and Te Kinga.
- Litter bins.

Council also undertakes environmental monitoring of its waste management sites and operations. This includes monitoring of the seven closed landfills in the Grey District. These are at Cobden, Runanga, Dobson, Moana, Ngahere, Blackball and Nelson Creek.

Council works with other Councils and industry on the West Coast and beyond for the safe collection, storage and disposal of specific classes of solid waste. Council also advocates for owner responsibility for specific classes of solid waste including but not limited to packaging and hazardous waste.

## Waste Management and Minimisation Plan

In 2018 the Council worked with Buller and Westland District Councils to produce a regional Waste Management and Minimisation Plan (WMMP). The WMMP Plan fulfils each Council's obligations under the Waste Minimisation Act 2008 and sets out how the Council will progress efficient and effective waste management and minimisation. It provides a framework and guide for waste management activity in our District and the wider region from 2018 to 2024.

The Waste Minimisation Act 2008 requires all territorial authorities to adopt a WMMP and review it every six years. Grey District Council, along with Buller and Westland District Councils, sought the community's feedback on the draft West Coast Regional Waste Management and Minimisation Plan 2024 – 2030 at the end of 2024, before the final plan is adopted. Our Long Term Plan and the Refuse & Recycling Activity Management Plan takes into consideration the current draft WMMP and the West Coast Regional Waste Assessment completed by Tonkin & Taylor in September 2024. Adoption of the final WMMP is due late April.

## Issues and options facing the activity

| ISSUE                                                                                                                                                                                                                                                                                                                       | OPTIONS                                                                                                                                                                                                                                                                                                                              | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>Cell 3B has an expected life of 6-7 years (built in 2023). A new additional cell will need to be constructed towards the end of this LTP to maintain the same level of service.</b><br>Council has budgeted for Cell 4 in Years 8-9. The main consent for the landfill site is due to expire towards the end of the LTP. | <ol style="list-style-type: none"> <li>1. Create a new cell (Cell 4) at the landfill near the end of this LTP. It has been planned for Years 8-9.</li> <li>2. Additional resource consents will be required, either for the ongoing operation of the landfill or if the site is decommissioned, for care and maintenance.</li> </ol> | ✓                          |                              |                          |
| <b>The staff site at McLeans Pit requires upgrading.</b>                                                                                                                                                                                                                                                                    | <ol style="list-style-type: none"> <li>1. Council to upgrade the staff facilities including septic and floor space.</li> </ol>                                                                                                                                                                                                       | ✓                          |                              |                          |
| <b>Financial impact of Emissions Trading Scheme (ETS).</b>                                                                                                                                                                                                                                                                  | <ol style="list-style-type: none"> <li>1. Providing for the financial impact of the ETS on the landfill in budgets.</li> </ol>                                                                                                                                                                                                       | ✓                          |                              |                          |
| <b>Demand for recyclables is market driven.</b>                                                                                                                                                                                                                                                                             | <ol style="list-style-type: none"> <li>1. Adapt recyclable collection according to market demands and other factors.</li> </ol>                                                                                                                                                                                                      | ✓                          |                              |                          |
| <b>Central government have signaled a potential future requirement for territorial authorities to provide kerbside organics collection services. There are currently no commercial composting/organics operations of any scale in the Grey District or wider West Coast region.</b>                                         | <ol style="list-style-type: none"> <li>1. Council will need to start investigating options for handling the organic waste in order to reduce increasing waste levy costs. No option has been identified to date.</li> </ol>                                                                                                          | ✓                          | ✓                            |                          |
| <b>The increase of the waste management levy of \$60 per tonne of municipal waste by 1 July 2024.</b>                                                                                                                                                                                                                       | <ol style="list-style-type: none"> <li>1. Community and industry education.</li> </ol>                                                                                                                                                                                                                                               | ✓                          | ✓                            |                          |
|                                                                                                                                                                                                                                                                                                                             | <ol style="list-style-type: none"> <li>2. Implementation and management of waste recycling initiatives.</li> </ol>                                                                                                                                                                                                                   | ✓                          | ✓                            | ✓                        |

How we’ll measure our performance

| What we’re measuring                                                                      | How we’ll measure                                | Target                          |                    |                                     |                                      |                          |
|-------------------------------------------------------------------------------------------|--------------------------------------------------|---------------------------------|--------------------|-------------------------------------|--------------------------------------|--------------------------|
|                                                                                           |                                                  | Current Performance (2023/2024) | Year 1 (2025/2026) | Years 2 – 3 (2026/2027 – 2027/2028) | Years 4 – 9 (2028/2029 to 2033/2034) | Target Trend (years 1-9) |
| Facilities and services are managed without adversely affecting the receiving environment | Maximum number of resource consent infringements | Nil                             | Nil                | Nil                                 | Nil                                  | Maintain                 |
|                                                                                           | Medium monthly recycling residual waste %        | New                             | 40%                | 38%                                 | 35%                                  | Decreasing               |
|                                                                                           | % of waste is recycled                           | 19%                             | 20%                | 22%                                 | 30%                                  | Improving                |

Financial information

Activity funding

These activities are funded by:

Targeted Rates

- There is a direct benefit for those properties that can have their waste collected; therefore a targeted rate is struck to cover these costs.

User fees

- Excess users of refuse collection pay additional user fees and those that use facilities direct cover the relevant costs by way of user fees.

General Rates

- There is a district wide benefit to having a compliant facility; therefore other costs are covered by a separate general rate set differentially across the District.

## Funding impact statement

|                                                                       | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|-----------------------------------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>[A] SOURCES OF OPERATING FUNDING</b>                               |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| General rates, uniform annual general charges, rates penalties        | 311                          | 586                         | 585                         | 599                         | 615                         | 650                         | 663                         | 674                         | 692                         | 898                         |
| Targeted rates                                                        | 2,284                        | 3,597                       | 3,594                       | 3,677                       | 3,775                       | 3,996                       | 4,070                       | 4,139                       | 4,253                       | 5,518                       |
| Subsidies and grants for operating purposes                           | 70                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Fees and charges                                                      | 1,360                        | 1,618                       | 1,667                       | 1,713                       | 1,756                       | 1,798                       | 1,840                       | 1,880                       | 1,921                       | 1,962                       |
| Internal charges and overheads recovered                              | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Local authorities fuel tax, fines, infringement fees & other receipts | 25                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total sources of operating funding [A]</b>                         | <b>4,050</b>                 | <b>5,800</b>                | <b>5,845</b>                | <b>5,989</b>                | <b>6,146</b>                | <b>6,444</b>                | <b>6,572</b>                | <b>6,692</b>                | <b>6,867</b>                | <b>8,378</b>                |
| <b>[B] APPLICATIONS OF OPERATING FUNDING</b>                          |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Payments to staff and suppliers                                       | 2,439                        | 5,039                       | 5,195                       | 5,326                       | 5,464                       | 5,555                       | 5,687                       | 5,814                       | 5,941                       | 6,066                       |
| Finance costs                                                         | 106                          | 153                         | 162                         | 163                         | 168                         | 164                         | 149                         | 131                         | 110                         | 91                          |
| Internal charges and overheads applied                                | 1,460                        | 172                         | 187                         | 196                         | 204                         | 212                         | 220                         | 227                         | 232                         | 237                         |
| Other operating funding applications                                  | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total applications of operating funding [B]</b>                    | <b>4,005</b>                 | <b>5,365</b>                | <b>5,544</b>                | <b>5,685</b>                | <b>5,836</b>                | <b>5,931</b>                | <b>6,056</b>                | <b>6,172</b>                | <b>6,284</b>                | <b>6,394</b>                |
| <b>Surplus /(deficit) of operating funding [A] - [B]</b>              | <b>45</b>                    | <b>436</b>                  | <b>301</b>                  | <b>304</b>                  | <b>310</b>                  | <b>513</b>                  | <b>517</b>                  | <b>521</b>                  | <b>583</b>                  | <b>1,984</b>                |
| <b>[C] SOURCES OF CAPITAL FUNDING</b>                                 |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Subsidies and grants for capital expenditure                          | 70                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Development and financial contributions                               | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Increase (decrease) in debt                                           | -                            | 137                         | (195)                       | (16)                        | (231)                       | (432)                       | (434)                       | (436)                       | (381)                       | 1,040                       |
| Gross proceeds from sale of assets                                    | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Lump sum contributions                                                | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Other dedicated capital funding                                       | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total sources of capital funding [C]</b>                           | <b>70</b>                    | <b>137</b>                  | <b>(195)</b>                | <b>(16)</b>                 | <b>(231)</b>                | <b>(432)</b>                | <b>(434)</b>                | <b>(436)</b>                | <b>(381)</b>                | <b>1,040</b>                |
| <b>[D] APPLICATIONS OF CAPITAL FUNDING</b>                            |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Capital expenditure                                                   |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| —to meet additional demand                                            | -                            | 50                          | -                           | -                           | -                           | -                           | -                           | -                           | 116                         | 2,967                       |
| —to improve the level of service                                      | -                            | 275                         | 31                          | 211                         | -                           | -                           | -                           | -                           | -                           | -                           |
| —to replace existing assets                                           | 115                          | 248                         | 75                          | 77                          | 79                          | 81                          | 83                          | 85                          | 86                          | 58                          |
| Increase (decrease) in reserves                                       | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Increase (decrease) of investments                                    | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total applications of capital funding [D]</b>                      | <b>115</b>                   | <b>573</b>                  | <b>106</b>                  | <b>288</b>                  | <b>79</b>                   | <b>81</b>                   | <b>83</b>                   | <b>85</b>                   | <b>203</b>                  | <b>3,025</b>                |
| <b>Surplus /(deficit) of capital funding [C] - [D]</b>                | <b>(45)</b>                  | <b>(436)</b>                | <b>(301)</b>                | <b>(304)</b>                | <b>(310)</b>                | <b>(513)</b>                | <b>(517)</b>                | <b>(521)</b>                | <b>(583)</b>                | <b>(1,984)</b>              |
| <b>Funding balance [A - B] + [C - D]</b>                              | <b>-</b>                     | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    |

## Profit and loss for group of activities

The previous funding impact statement summarises all the money to be raised (sources of funds) and where it is to be spent (application of funding). It does not take into account any transactions that have no direct funding impact ('non cash' transactions), such as depreciation. Some of these transactions have a material impact on Council's surplus/deficit, most notably depreciation. Depreciation is discussed in more detail in PART C: Council's Financial Strategy. It is therefore important to consider the impact of these transactions for each group of activities. This will also allow you to see how each group of activities contributes to Council's overall financial performance detailed later in this plan

|                                                          | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|----------------------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>REVENUE</b>                                           |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Rates revenue                                            | 2,595                        | 4,012                       | 4,005                       | 4,095                       | 4,205                       | 4,456                       | 4,538                       | 4,613                       | 4,742                       | 6,210                       |
| Subsidies and grants                                     | 70                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Fees and Charges                                         | 1,385                        | 1,618                       | 1,667                       | 1,713                       | 1,756                       | 1,798                       | 1,840                       | 1,880                       | 1,921                       | 1,962                       |
| Other revenue                                            | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Development and financial contributions                  | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total Income</b>                                      | <b>4,050</b>                 | <b>5,630</b>                | <b>5,672</b>                | <b>5,809</b>                | <b>5,961</b>                | <b>6,254</b>                | <b>6,378</b>                | <b>6,493</b>                | <b>6,663</b>                | <b>8,172</b>                |
| <b>EXPENDITURE</b>                                       |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Personnel costs                                          | 77                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Depreciation and amortisation expense                    | 72                           | 128                         | 156                         | 162                         | 171                         | 189                         | 194                         | 200                         | 218                         | 225                         |
| Finance costs                                            | 84                           | 153                         | 162                         | 163                         | 168                         | 164                         | 149                         | 131                         | 110                         | 91                          |
| Other expenses                                           | 2,460                        | 5,041                       | 5,208                       | 5,342                       | 5,482                       | 5,576                       | 5,712                       | 5,842                       | 5,970                       | 6,096                       |
| <b>Total Expenditure</b>                                 | <b>2,693</b>                 | <b>5,322</b>                | <b>5,527</b>                | <b>5,666</b>                | <b>5,821</b>                | <b>5,930</b>                | <b>6,055</b>                | <b>6,172</b>                | <b>6,298</b>                | <b>6,413</b>                |
| <b>Surplus /(deficit) of operating funding [A] - [B]</b> | <b>1,357</b>                 | <b>308</b>                  | <b>145</b>                  | <b>142</b>                  | <b>139</b>                  | <b>324</b>                  | <b>322</b>                  | <b>321</b>                  | <b>366</b>                  | <b>1,759</b>                |

## Significant expenditure

Please refer to the Infrastructure Strategy for details.



## How we manage our assets that support this activity

Council has an extensive level of information about its Solid Waste and associated assets in the Activity Management Plan (AMP). The AMP also contains detailed service level information such as landfill and capacity, response to complaints, and criteria for maintenance, renewals and upgrades.

Assets that are critical to the system are monitored proactively and decisions made about maintenance, upgrades and renewals as needed. Council also responds to information from customers and contractors, as well as resident surveys and enquiries.

### Proposed changes to levels of service

- Construction of Cell at McLeans Landfill 4 is included in the later years of this LTP.
- It is anticipated that recovery of recyclable materials will increase and there will be a corresponding reduction in the amount of general (non-recyclable) refuse that will be required to be collected and deposited at McLeans Landfill. Experience to date is that the successful sale of recyclables is dependent on the market.

### Additional capacity

The Activity Management Plan (AMP) shows no significant increase in demand based on population growth projections. We do expect a continuing decrease in the volume of waste going into the landfill and this could potentially prolong the life of the existing and future cells.

## Key assumptions about the useful life of assets and the sources of funding for replacement

Assumptions regarding the life of assets include:

- Assets will perform to the required standard for the duration of their useful lives as provided for in the AMP. It is assumed that assets will be replaced at the end of their useful life, noting various factors can affect the service life of an asset.
- With the exception of landfill cells (which cannot continue to be used once full), where assets remain in service beyond their useful life they will be regularly assessed as to their condition to ensure they remain safe to use.
- The life of cells at McLeans landfill may be prolonged as waste minimisation initiatives and recycling continues.

Assumptions regarding sources of funding for replacement of assets are:

- Project costs will primarily be funded through loans funded over the expected life of the asset.
- Other sources of funding include:
  - Rates
  - Financial contributions
  - Special Reserve funds
  - User fees
  - Grants from Waste Levies

## Significant potential negative effects of this activity

This may include:

- The impact of the cost of recycling and ETS costs on landfill fees may result in an increase in illegal refuse dumping.
- Discharge of contaminants to land and/or water from the landfill or the closed refuse tips. Competent measures to mitigate this are in place.

# Regulatory & Building Control Services

## Activities included in this group

Regulatory & Building Control Services include:

### District Planning

- District Plan
- Policy
- Resource Management (land use)
- Monitoring

### Building Control

As a **Building Consent Authority (BCA)** Council carries out the following tasks:

- Processes building consent applications
- Grants and issues building consents
- Undertakes building inspections
- Issues Notices to Fix
- Issues Code Compliance Certificates
- Investigation of complaints relating to building work and illegal buildings
- Issues compliance schedules
- Any other functions and duties specified in the Building Act 2004

As a **Territorial Authority (TA)** Council carries out the following tasks:

- Performs functions relating to our Dangerous, Earthquake Prone and Insanitary Buildings Policy
- Administration and audit of building warrants of fitness (BWOFF)
- Investigation of building work related complaints where consents have not been applied for or issued
- Issues project information memorandum (PIM)
- Issues building consent discretionary exemptions under Schedule 1(2)
- Processes and Issues Certificates of Acceptance (CoA)
- Issues and amends compliance schedules
- Decides the extent to which buildings must comply with the building code when they're altered, are subject to a change of use, or their specified intended life changes
- Carries out any other functions and duties specified in the Building Act

### Other Regulation

- Council bylaws
- District Plan (including noise), Building Act and freedom camping compliance

### Health Regulation

- Inspection and licensing of food premises under the Food Hygiene Regulations 1974 and the Food Act 2014
- Annual registration of offensive trades, camping grounds, hairdressers, funeral directors, mortuaries and mobile shops, together with other duties under the Health Act 1956
- Responding, investigating and reporting on noise complaints and other duties under the Resource Management Act 1991 and the District Plan
- Ensuring appropriate steps are in place to limit the impact of commercial or industrial noise and ensure compliance within the noise provisions of the District Plan
- Inspection of liquor premises (participation in stakeholder compliance visits), licensing of liquor premises, reporting to the Alcohol Regulatory and Licensing Authority (ARLA) and the Grey District Licensing Committee (DLA) and administering new applications or renewals of managers certificates

### Emergency Management

- Civil Defence and Emergency Management, including:
  - Developing, implementing and monitoring District-wide emergency management plans.
  - Promoting community preparedness for emergencies.
  - Working with other authorities, both locally and in the Region, to plan for and respond to hazards, risks and emergencies.
  - Mobilising and responding in the event of an emergency.

### Dog/Stock Control

- Investigation of complaints about dogs including barking, wandering, menacing and dangerous dogs
- Enforcing legislation and Council's bylaws which govern where dogs are permitted, control of dogs on a leash and fencing of dogs within a property boundary
- Impounding wandering dogs and taking steps to identify the owner of the dog
- Maintaining a register of dogs generally and for those classified as menacing or dangerous
- Responding to wandering stock complaints

Local Government legislation requires that Council, where possible, maintain a clear division between its operational and regulatory functions. Local authorities, as facilitators of development and growth, also have to comply with statutory requirements and administer legislative powers in a fair and objective manner, and avoid conflicts of interest. It is for this reason that these activities are in the same grouping.

## Why we are involved in this activity/these activities

Council undertakes these activities to contribute to providing a safe, healthy and sustainable environment.

- The district planning service ensures the District is able to promote development to support a prosperous community without compromising rights of residents and the District's physical and natural assets/resources. It achieves this aim by appropriate application of the Resource Management Act, through the review and implementation of the District Plan and its resource consent and monitoring functions.
- Council's building control services ensures that the District's buildings and other associated structures (such as swimming pools) are safe, habitable and meet National legislative requirements. Of particular importance is Council's role in advising on and, where necessary, enforcing the statutory provisions relating to earthquake prone buildings.
- Other regulation activities focus on working with the community to ensure the District remains a peaceful and attractive place to live and work. By the careful application of Bylaws and other legal mechanisms, Council aims to reduce littering, effectively manage freedom camping and respond to noise nuisances, as well as encourage residents to maintain tidy sections.
- Health regulation services aim to protect our community from infectious and notifiable diseases by promoting food safety practices in food establishments. This activity also aims to ensure that hairdressing businesses, gaming machines, camping grounds and those selling liquor conform to appropriate standards.
- Emergency Management is in place make sure that our District is prepared for emergencies. The District is not only in a high rainfall area and, therefore subject to flooding, but inundation, cyclones and tornados have in the past caused problems. Most importantly, the District is a high risk earthquake area. Council subscribes to the principles of "reduce, readiness, response, and recovery" and "get ready – get thru".
- The dog and stock control service aims to provide a safer District by reducing dog-related offences through ensuring the registration of dogs, the education of their owners and the investigation of complaints. In addition, this service seeks to support safer road and rail corridors by responding to complaints about wandering stock and working with landowners to maintain stock proof fencing. Council undertakes this activity in

accordance with its obligations under the Dog Control Act 1996 and Impounding Act 1955.

## Contribution to Council's Vision and Outcomes

| Outcome                        | The Grey District has:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|--------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Economic Wellbeing</b>      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Strong Sustainable             | <ul style="list-style-type: none"> <li>• The ongoing provision of District Planning/Resource Management, Regulatory, Compliance, Health and Food Safety and Animal Control provides a platform for a strong and sustainable economy.</li> <li>• The provision of effective emergency preparedness and activated emergency activities ensures the ongoing operation of the economy in times and following emergency situations.</li> <li>• The management and maintenance of suitable parking facilities support business and industry operations contributing to the economy.</li> </ul>                                 |
| <b>Social Wellbeing</b>        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Safe Enabled                   | <ul style="list-style-type: none"> <li>• The ongoing provision of District Planning/Resource Management, Regulatory, Compliance, Health and Food Safety and Animal Control provide assurances of safety for all sectors of the community, business, and industry.</li> <li>• The provision of emergency preparedness and activated emergency activities provides for safety of the community, as well as enabling communities to be prepared for these events.</li> <li>• The management, maintenance and provision of safe parking facilities facilitate community connections and participation in society.</li> </ul> |
| <b>Cultural</b>                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Inter-connected                | <ul style="list-style-type: none"> <li>• Respect and recognition for the place of Māori.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Environmental Wellbeing</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Practical Resilient Strategic  | <ul style="list-style-type: none"> <li>• The ongoing provision of District Planning/Resource Management, Regulatory, Compliance, Health and Food Safety and Animal Control provide for resiliency and a future focus for our environment.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                     |

|                                       | ECONOMIC | SOCIAL | CULTURAL | ENVIRONMENTAL |
|---------------------------------------|----------|--------|----------|---------------|
| Activity Group                        |          |        |          |               |
| <b>District Planning</b>              | ✓        | ✓      | ✓        | ✓             |
| <b>Building Control</b>               | ✓        | ✓      |          | ✓             |
| <b>Animal Control</b>                 |          | ✓      |          |               |
| <b>Health &amp; Liquor Regulation</b> | ✓        | ✓      |          |               |
| <b>Regulatory Enforcement</b>         | ✓        | ✓      |          | ✓             |
| <b>Emergency Management</b>           | ✓        | ✓      |          | ✓             |

## What we'll provide

### District Planning

We will:

- Ensure that the District Plan remains relevant to the community, up to date with legislative requirements and that the community is involved in any proposed plan changes.
- Provide an objective consent processing system that will process your consent within statutory timelines and ensure anyone affected by a resource consent is provided with an opportunity to submit.
- Monitor a range of land use consents and aspects of the District Plan as a means of ensuring compliance and that the Plan remains current.

To deliver this service Council will provide qualified and skilled planning officers, supported by skilled administration staff.

### Building Control

We will:

- Continue to provide an efficient building consent processing service as well as ensure buildings are designed and constructed in line with national building Code requirements.
- Ensure that public and relevant commercial buildings have appropriate safety systems.

To deliver this service, Council will not only maintain accreditation as a Building Consent Authority but will provide qualified and skilled building officers supported by skilled administration staff.

### Other Regulation

Council will:

- Ensure that its Bylaws and processes in implementing other legislation, such as the Litter Act, remain up to date, fair and deliver what the community want.
- Provide a dedicated compliance resource to ensure breaches of the Freedom Camping Act are actively monitored.
- Provide an after-hours noise control service to ensure that complaints are followed up without undue delay.
- Encourage residents to maintain their property in a way that does not cause nuisance to others.
- Provide an impoundment service for abandoned vehicles.

To deliver this service, Council will provide trained compliance officers and appropriate contractors to respond to complaints.

### Health Regulation

We will:

- Ensure that the relevant food, hairdressing and other similar establishments meet the required hygiene and safety standards by inspecting such premises and ensuring they have appropriate safeguards and procedures in place.
- Monitor camping grounds for cleanliness.
- Inspection and licensing of liquor premises and reporting to the Alcohol Regulatory and Licensing Authority (ARLA) and the District Licensing Agency (DLA).

To deliver this service Council will provide qualified environmental health officers and contractors to undertake inspections and respond to complaints.

### Emergency Management

Council will:

- Continually educate the community on the need to be prepared for emergencies.
- Maintain a Civil Defence operational capacity to mobilise immediately an emergency comes up in order to limit loss of life and to restore services to normality as soon as possible.
- Keep the community informed of the measures that will become operational during such an emergency.

### Dog/Stock Control

We will:

- Ensure that all dogs in the District are registered and therefore traceable.
- Provide a 24- hour response service for reports of dangerous or roaming dogs or stock.
- Maintain a pound to hold dogs and stock.

To deliver this service Council will provide qualified animal control officers as well as a dog and stock pound.

## Issues and options facing the activity

| ISSUE                                                                                                                                                                                                                                                                                                                                                                                                              | OPTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>New or changing legislation and policies from central government continually shape many of the functions within the regulatory activities.</b>                                                                                                                                                                                                                                                                  | 1. Council will actively monitor the situation and make changes to policies and bylaws as required.                                                                                                                                                                                                                                                                                                                                                                                                               | ✓                          | ✓                            | ✓                        |
| <b>The requirement for commercial and public buildings throughout the Grey District to comply with existing and any new legislation arising from recent earthquakes and hazard events.</b>                                                                                                                                                                                                                         | 1. Council is actively monitoring the situation.                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | ✓                          | ✓                            |                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                    | 2. Make changes to policies and bylaws as required to comply with new legislation on earthquake prone buildings.                                                                                                                                                                                                                                                                                                                                                                                                  | ✓                          | ✓                            | ✓                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                    | 3. Council will ensure priority earthquake prone buildings in the Grey District are strengthened or demolished by November 2027.                                                                                                                                                                                                                                                                                                                                                                                  | ✓                          |                              |                          |
| <b>Te Tai o Poutini Plan (TTPP, combined District Plan for Buller, Grey and Westland District Councils) – Management of risks from natural hazards and climate change</b><br>The TTPP will identify areas subject to hazards, undergo community consultation and develop appropriate planning zones.<br>The TTPP will be adopted during this LTP. Decisions on the proposed plan are due to be released 2025/2026. | 1. Work collaboratively with other Councils during the process of identifying and responding to hazard and climate change risks. See also options previously for Climate Change.<br>2. Continuously monitor progress, assess and recommend infrastructure strategies for activities in the subsequent LTPs.<br>3. Monitor progress on the adoption of the TTPP and promote funding of infrastructure for urban expansion through private sector investment (subdivision) development and financial contributions. | ✓                          |                              |                          |
| <b>New or changing legislation and policies from central government continually shape many of the functions within the Environmental Services activities.</b>                                                                                                                                                                                                                                                      | 1. Make changes to policies, the District Plan and bylaws as required.                                                                                                                                                                                                                                                                                                                                                                                                                                            | ✓                          | ✓                            | ✓                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                    | 2. Assess levels of service as required.                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | ✓                          | ✓                            | ✓                        |
| <b>Amenity management issues.</b>                                                                                                                                                                                                                                                                                                                                                                                  | 1. Council needs to have appropriate regulations and procedures in place                                                                                                                                                                                                                                                                                                                                                                                                                                          | ✓                          |                              |                          |
| <b>The requirement for specialist skills in areas such as planning, building and compliance to competently fulfill the tasks of this group of activities.</b>                                                                                                                                                                                                                                                      | 1. Council needs to adequately manage its retention and recruitment of technical staff.                                                                                                                                                                                                                                                                                                                                                                                                                           | ✓                          | ✓                            | ✓                        |
| <b>Climate change may require greater compliance activities for the Building Consenting Authority.</b>                                                                                                                                                                                                                                                                                                             | 1. Council will monitor the situation and respond to necessary changes as required.                                                                                                                                                                                                                                                                                                                                                                                                                               | ✓                          | ✓                            | ✓                        |
| <b>The current dog pound is past its current useful life and is no longer fit for purpose.</b>                                                                                                                                                                                                                                                                                                                     | 1. Upgrade the existing animal pound facility (scheduled for year 6).                                                                                                                                                                                                                                                                                                                                                                                                                                             | ✓                          |                              |                          |

## Emergency Management

| ISSUE                                                                                                                                                                               | OPTIONS                                                                                                                       | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>The on-going risk posed by extreme natural events, i.e. a major earthquake, flooding, rock falls, wild fires, land slips, other inundation, cyclones, tornados and tsunamis.</b> | 1. Maintain community and operational preparedness.                                                                           | ✓                          | ✓                            | ✓                        |
|                                                                                                                                                                                     | 2. Ensure buildings identified for use during emergencies are structurally and otherwise capable of withstanding emergencies. | ✓                          | ✓                            | ✓                        |
| <b>Community apathy during periods of low emergency risk.</b>                                                                                                                       | 1. Continuing community education                                                                                             | ✓                          | ✓                            | ✓                        |

## Upcoming changes

In 2023, the establishment of a newly formed government signalled a series of legislative and regulatory changes, marking a distinct shift in priorities from the policies of the previous Labour Government.

There are still a number of changes taking place, which has created uncertainty for many territorial authorities around the country. The below section highlights the key legislative changes that will likely impact the Regulatory and Building Control activities within Council over the next nine years.

|                               |                                                                                                                                                                                                                                                                                                            |
|-------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>District Planning</b>      | Changes to the Resource Management Act 1991 with it being replaced with the Natural and Built Environments Bill and the Spatial Planning Bill.                                                                                                                                                             |
| <b>Building Control</b>       | Climate change and natural hazards frameworks and requirements may be strengthened (refer above sections of this plan). Council will continue to monitor developments in these areas and respond accordingly.                                                                                              |
| <b>Regulatory Enforcement</b> | The Building (Earthquake-prone Building Deadlines and Other Matters) Amendment Act, which came into effect on 26 November 2024, provides an extension to the remediation deadlines for earthquake-prone buildings by four years, except for buildings with notices that expired on or before 1 April 2024. |
| <b>Emergency Management</b>   | Climate change and natural hazards frameworks and requirements likely to be strengthened (refer above sections of this plan). Council will continue to monitor developments in these areas and respond accordingly.                                                                                        |

## How we’ll measure our performance

### Animal Management

| What we’re measuring          | How we’ll measure                                                          | Target                          |                    |                                     |                                      |                          |
|-------------------------------|----------------------------------------------------------------------------|---------------------------------|--------------------|-------------------------------------|--------------------------------------|--------------------------|
|                               |                                                                            | Current Performance (2023/2024) | Year 1 (2025/2026) | Years 2 – 3 (2026/2027 – 2027/2028) | Years 4 – 9 (2028/2029 to 2033/2034) | Target Trend (years 1-9) |
| Service response time         | % of dog attacks responded to within four hours of receiving the complaint | New Measure                     | 95%                | 97%                                 | 98%                                  | Improving                |
| Effective regulatory controls | Percentage of known dogs registered                                        | New Measure                     | 95%                | 97%                                 | 98%                                  | Improving                |
| Service response time         | Response to all stock complaints within 24 hours                           | New Measure                     | 95%                | 97%                                 | 98%                                  | Improving                |

### Resource Consents

| What we’re measuring  | How we’ll measure                                                                                                                                               | Target                          |                    |                                     |                                      |                          |
|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|--------------------|-------------------------------------|--------------------------------------|--------------------------|
|                       |                                                                                                                                                                 | Current Performance (2023/2024) | Year 1 (2025/2026) | Years 2 – 3 (2026/2027 – 2027/2028) | Years 4 – 9 (2028/2029 to 2033/2034) | Target Trend (years 1-9) |
| Processing timeframes | % of non-notified 20-day resource consent applications processed within 19 working days<br><i>Previous performance - 50% within 20 working days (2023/2024)</i> | New Measure                     | 75%                | 85%                                 | 95%                                  | Improving                |
| Processing timeframes | % of non-notified 10-day resource consent applications processed within nine working days                                                                       | New Measure                     | 75%                | 85%                                 | 95%                                  | Improving                |



### Land Information Memoranda (LIM)

| What we're measuring  | How we'll measure                                      | Target                             |                       |                                        |                                         |                             |
|-----------------------|--------------------------------------------------------|------------------------------------|-----------------------|----------------------------------------|-----------------------------------------|-----------------------------|
|                       |                                                        | Current Performance<br>(2023/2024) | Year 1<br>(2025/2026) | Years 2 – 3<br>(2026/2027 – 2027/2028) | Years 4 – 9<br>(2028/2029 to 2033/2034) | Target Trend<br>(years 1-9) |
| Processing timeframes | % of LIMs issued within 10 working days of application | 99.35%                             | 100%                  | 100%                                   | 100%                                    | Maintain                    |

### Noise Control

| What we're measuring  | How we'll measure                                               | Target                             |                       |                                        |                                         |                             |
|-----------------------|-----------------------------------------------------------------|------------------------------------|-----------------------|----------------------------------------|-----------------------------------------|-----------------------------|
|                       |                                                                 | Current Performance<br>(2023/2024) | Year 1<br>(2025/2026) | Years 2 – 3<br>(2026/2027 – 2027/2028) | Years 4 – 9<br>(2028/2029 to 2033/2034) | Target Trend<br>(years 1-9) |
| Service response time | % of after-hours noise complaints responded to within two hours | 95%                                | 95%                   | 95%                                    | 95%                                     | Maintain                    |

### Compliance – District Plan (operative & proposed) and Council Bylaws

| What we're measuring   | How we'll measure                                                                                               | Target                             |                       |                                        |                                         |                             |
|------------------------|-----------------------------------------------------------------------------------------------------------------|------------------------------------|-----------------------|----------------------------------------|-----------------------------------------|-----------------------------|
|                        |                                                                                                                 | Current Performance<br>(2023/2024) | Year 1<br>(2025/2026) | Years 2 – 3<br>(2026/2027 – 2027/2028) | Years 4 – 9<br>(2028/2029 to 2033/2034) | Target Trend<br>(years 1-9) |
| Service response times | % of complaints related to Council bylaws and the District Plan rules are responded to within five working days | 100%                               | 95%                   | 95%                                    | 95%                                     | Improving                   |

## Food Health

| What we're measuring          | How we'll measure                                            | Target                          |                    |                                     |                                      |                          |
|-------------------------------|--------------------------------------------------------------|---------------------------------|--------------------|-------------------------------------|--------------------------------------|--------------------------|
|                               |                                                              | Current Performance (2023/2024) | Year 1 (2025/2026) | Years 2 – 3 (2026/2027 – 2027/2028) | Years 4 – 9 (2028/2029 to 2033/2034) | Target Trend (years 1-9) |
| Effective regulatory controls | % of food premises verified when required under the Food Act | New Measure                     | 90%                | 95%                                 | 95%                                  | Improving                |

## Liquor Licencing

| What we're measuring          | How we'll measure                        | Target                          |                    |                                     |                                      |                          |
|-------------------------------|------------------------------------------|---------------------------------|--------------------|-------------------------------------|--------------------------------------|--------------------------|
|                               |                                          | Current Performance (2023/2024) | Year 1 (2025/2026) | Years 2 – 3 (2026/2027 – 2027/2028) | Years 4 – 9 (2028/2029 to 2033/2034) | Target Trend (years 1-9) |
| Effective regulatory controls | % of alcohol premises inspected annually | New Measure                     | 100%               | 100%                                | 100%                                 | Maintain                 |

## Building Control

| What we're measuring                       | How we'll measure                                                                                                                         | Target                             |                                    |                                     |                                      |                          |
|--------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|-------------------------------------|--------------------------------------|--------------------------|
|                                            |                                                                                                                                           | Current Performance (2034/2024)    | Year 1 (2025/2026)                 | Years 2 – 3 (2026/2027 – 2027/2028) | Years 4 – 9 (2028/2029 to 2033/2034) | Target Trend (years 1-9) |
| Customer satisfaction                      | Customer satisfaction with building control information                                                                                   | New Measure                        | 65%                                | 70%                                 | 75%                                  | Improving                |
| Processing timeframes                      | % of building consents issued within 19 working days                                                                                      | New Measure                        | 95%                                | 95%                                 | 95%                                  | Maintain                 |
| Compliance as a Building Consent Authority | Maintain Building Consent Authority Accreditation                                                                                         | Accreditation status is maintained | Accreditation status is maintained | Accreditation status is maintained  | Accreditation status is maintained   | Maintain                 |
| Building occupant safety                   | Building Warrant of Fitness (BWof) audits are undertaken in line with MBIE guidance recommendations (20% of buildings with BWof annually) | New Measure                        | 20%                                | 20%                                 | 20%                                  | Maintain                 |

## Civil Defence Emergency Management

| What we're measuring                                      | How we'll measure                                                                                                       | Target                          |                                                                        |                                                                        |                                                                        |                          |
|-----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|---------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------|--------------------------|
|                                                           |                                                                                                                         | Current Performance (2024/2025) | Year 1 (2025/2026)                                                     | Years 2 – 3 (2026/2027 – 2027/2028)                                    | Years 4 – 9 (2028/2029 to 2033/2034)                                   | Target Trend (years 1-9) |
| Response capability                                       | % of suitable Council staff* who have received Coordinated Incident Management System (CIMS) training                   | New Measure                     | 60%                                                                    | 70%                                                                    | 80%                                                                    | Improving                |
|                                                           | Emergency operations centre (EOC) functional premises is maintained, with alternate arrangements and resources **       | New Measure                     | Centre and alternate arrangements maintained for operational readiness | Centre and alternate arrangements maintained for operational readiness | Centre and alternate arrangements maintained for operational readiness | Maintain                 |
| Business continuity during incidents and emergency events | Activity Business Continuity Plans (BCP) to enable emergency management functions alongside critical Council activities | New Measure                     | New plans are produced by year end                                     | Plans are reviewed and maintained annually                             | Plans are reviewed and maintained annually                             | Improving                |

\* Excludes staff who may be in roles that are not practical to undertake training, e.g. casual or short-term contract staff

\*\* Currently provided at the Westland Recreation Centre with a purpose-built space fully fitted out and the alternative arrangements are housed in shipping containers at the Recreation Centre. The purpose of alternative arrangements is for any event where the main facility may be damaged and unusable.

## Financial information

### Activity funding

These activities are funded by:

#### User fees

- The majority of benefit for the costs of consent processing goes to the applicant and this is reflected in user fees.
- Enforcement is recovered by those creating the demand wherever practical.

#### General rates

- Policy and strategy aspects are considered to have predominantly public benefit and are funded from general rates.
- Having an available service (e.g. for enforcement, animal control) has a general benefit District wide so the balance of activity costs are funded from general rates.
- There is a District wide benefit to having a managed emergency management service; therefore other costs are covered by a general rate.

## Funding impact statement

|                                                                       | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|-----------------------------------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>[A] SOURCES OF OPERATING FUNDING</b>                               |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| General rates, uniform annual general charges, rates penalties        | 1,810                        | 1,929                       | 2,054                       | 2,088                       | 2,345                       | 2,452                       | 2,626                       | 2,355                       | 2,358                       | 2,397                       |
| Targeted rates                                                        | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Subsidies and grants for operating purposes                           | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Fees and charges                                                      | 1,646                        | 1,845                       | 1,896                       | 1,947                       | 1,994                       | 2,040                       | 2,086                       | 2,130                       | 2,176                       | 2,220                       |
| Internal charges and overheads recovered                              | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Local authorities fuel tax, fines, infringement fees & other receipts | 9                            | 253                         | 259                         | 266                         | 272                         | 278                         | 284                         | 290                         | 295                         | 301                         |
| <b>Total sources of operating funding [A]</b>                         | <b>3,465</b>                 | <b>4,026</b>                | <b>4,209</b>                | <b>4,301</b>                | <b>4,611</b>                | <b>4,770</b>                | <b>4,996</b>                | <b>4,775</b>                | <b>4,830</b>                | <b>4,918</b>                |
| <b>[B] APPLICATIONS OF OPERATING FUNDING</b>                          |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Payments to staff and suppliers                                       | 2,399                        | 2,859                       | 3,017                       | 3,052                       | 3,161                       | 3,180                       | 3,325                       | 3,396                       | 3,419                       | 3,480                       |
| Finance costs                                                         | 15                           | 9                           | 9                           | 9                           | 9                           | 9                           | 9                           | 39                          | 39                          | 38                          |
| Internal charges and overheads applied                                | 760                          | 1,088                       | 1,027                       | 1,049                       | 1,153                       | 1,187                       | 1,214                       | 1,241                       | 1,267                       | 1,292                       |
| Other operating funding applications                                  | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total applications of operating funding [B]</b>                    | <b>3,174</b>                 | <b>3,956</b>                | <b>4,052</b>                | <b>4,110</b>                | <b>4,323</b>                | <b>4,377</b>                | <b>4,549</b>                | <b>4,675</b>                | <b>4,724</b>                | <b>4,811</b>                |
| <b>Surplus /(deficit) of operating funding [A] - [B]</b>              | <b>291</b>                   | <b>70</b>                   | <b>157</b>                  | <b>191</b>                  | <b>288</b>                  | <b>393</b>                  | <b>447</b>                  | <b>100</b>                  | <b>105</b>                  | <b>107</b>                  |
| <b>[C] SOURCES OF CAPITAL FUNDING</b>                                 |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Subsidies and grants for capital expenditure                          | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Development and financial contributions                               | 43                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Increase (decrease) in debt                                           | -                            | (5)                         | (5)                         | (5)                         | (5)                         | (5)                         | 563                         | (14)                        | (14)                        | (15)                        |
| Gross proceeds from sale of assets                                    | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Lump sum contributions                                                | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Other dedicated capital funding                                       | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total sources of capital funding [C]</b>                           | <b>43</b>                    | <b>(5)</b>                  | <b>(5)</b>                  | <b>(5)</b>                  | <b>(5)</b>                  | <b>(5)</b>                  | <b>563</b>                  | <b>(14)</b>                 | <b>(14)</b>                 | <b>(15)</b>                 |
| <b>[D] APPLICATIONS OF CAPITAL FUNDING</b>                            |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Capital expenditure                                                   |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| —to meet additional demand                                            | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| —to improve the level of service                                      | -                            | -                           | 52                          | -                           | -                           | -                           | 580                         | -                           | -                           | -                           |
| —to replace existing assets                                           | -                            | 55                          | 40                          | 45                          | 43                          | 48                          | 60                          | 46                          | 51                          | 52                          |
| Increase (decrease) in reserves                                       | 334                          | 10                          | 60                          | 140                         | 240                         | 340                         | 370                         | 40                          | 40                          | 40                          |
| Increase (decrease) of investments                                    | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total applications of capital funding [D]</b>                      | <b>334</b>                   | <b>65</b>                   | <b>151</b>                  | <b>185</b>                  | <b>283</b>                  | <b>388</b>                  | <b>1,010</b>                | <b>86</b>                   | <b>91</b>                   | <b>92</b>                   |
| <b>Surplus /(deficit) of capital funding [C] - [D]</b>                | <b>(291)</b>                 | <b>(70)</b>                 | <b>(157)</b>                | <b>(191)</b>                | <b>(288)</b>                | <b>(393)</b>                | <b>(447)</b>                | <b>(100)</b>                | <b>(105)</b>                | <b>(107)</b>                |
| <b>Funding balance [A - B] + [C - D]</b>                              | <b>-</b>                     | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    |

## Profit and loss for group of activities

The previous funding impact statement summarises all the money to be raised (sources of funds) and where it is to be spent (application of funding). It does not take into account any transactions that have no direct funding impact ('non cash' transactions), such as depreciation. Some of these transactions have a material impact on Council's surplus/deficit, most notably depreciation. Depreciation is discussed in more detail in PART C: Council's Financial Strategy. It is therefore important to consider the impact of these transactions for each group of activities. This will also allow you to see how each group of activities contributes to Council's overall financial performance detailed later in this plan

|                                                          | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|----------------------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>REVENUE</b>                                           |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Rates revenue                                            | 1,710                        | 1,831                       | 1,994                       | 1,995                       | 2,265                       | 2,367                       | 2,517                       | 2,244                       | 2,245                       | 2,303                       |
| Subsidies and grants                                     | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Fees and Charges                                         | 1,460                        | 1,845                       | 1,896                       | 1,947                       | 1,994                       | 2,040                       | 2,086                       | 2,130                       | 2,176                       | 2,220                       |
| Other revenue                                            | 77                           | 253                         | 259                         | 266                         | 272                         | 278                         | 284                         | 290                         | 295                         | 301                         |
| Development and financial contributions                  | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total Income</b>                                      | <b>3,248</b>                 | <b>3,928</b>                | <b>4,149</b>                | <b>4,209</b>                | <b>4,531</b>                | <b>4,685</b>                | <b>4,887</b>                | <b>4,663</b>                | <b>4,716</b>                | <b>4,824</b>                |
| <b>EXPENDITURE</b>                                       |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Personnel costs                                          | 1,309                        | 1,144                       | 1,214                       | 1,248                       | 1,280                       | 1,311                       | 1,340                       | 1,368                       | 1,395                       | 1,422                       |
| Depreciation and amortisation expense                    | 6                            | 11                          | 16                          | 23                          | 28                          | 32                          | 37                          | 64                          | 69                          | 74                          |
| Finance costs                                            | 12                           | 9                           | 9                           | 9                           | 9                           | 9                           | 9                           | 39                          | 39                          | 38                          |
| Other expenses                                           | 1,654                        | 2,705                       | 2,770                       | 2,761                       | 2,954                       | 2,972                       | 3,091                       | 3,157                       | 3,177                       | 3,258                       |
| <b>Total Expenditure</b>                                 | <b>2,982</b>                 | <b>3,868</b>                | <b>4,009</b>                | <b>4,041</b>                | <b>4,271</b>                | <b>4,324</b>                | <b>4,477</b>                | <b>4,628</b>                | <b>4,680</b>                | <b>4,791</b>                |
| <b>Surplus /(deficit) of operating funding [A] - [B]</b> | <b>266</b>                   | <b>60</b>                   | <b>141</b>                  | <b>168</b>                  | <b>260</b>                  | <b>361</b>                  | <b>410</b>                  | <b>36</b>                   | <b>36</b>                   | <b>33</b>                   |

## Significant expenditure

Please refer to the Infrastructure Strategy for details.

## How we manage our assets that support this activity

Being regulatory in nature, this activity has few capital assets and only those that support the delivery of the regulatory functions described above.

Civil Defence assets relate mostly to communication equipment, with the focus being on using existing fixed assets capable of being used during emergencies as well as existing, conventional communication and information systems as far as possible.

Such assets are monitored proactively and decisions made about maintenance, upgrades and renewals as needed. Council also responds to information from wardens and contractors, as well as resident surveys and enquiries.

### Proposed changes to levels of service

A new animal pound is being constructed in Year 6 – this replaces the existing end of life facility.

There are no proposed changes to existing levels of service over the life of this plan. However it needs to be noted that new or changing legislation and policies from central government continually shape many of the functions within the Environmental Services activities which may have an impact on future levels of service.

### Additional capacity

None are specifically provided for during the life of this Plan.

## Key assumptions about the useful life of assets and the sources of funding for replacement

Assumptions regarding the life of assets include:

- Assets will perform to the required standard for the duration of its useful lives.

Assumptions regarding sources of funding for replacement of assets are:

- Asset renewals will primarily be funded from:
  - Rates
  - Special Reserve funds

## Significant potential negative effects of this activity

- The dog pound and play areas may, from time to time, be a source of irritation in the form of noise as a result of barking and destruction of animals. After hour response to dog and stock complaints may also involve minor negative impacts.
- Local government regulatory functions are subject to change and central government has strongly voiced a desire to review legislation in order to ensure that it supports the country's economic development focus. The Productivity Commission has released a report which highlights the opportunities that exist within the regulatory arena to streamline areas of central and local government processes.
- Review of the Resource Management Act 1991, Earthquake Prone Building Policy and a focus on Risk based consenting (Buildings) are all projects that the Government are supporting and finalising.
- Any and all changes by central government to legislation that is administered by Council may have an impact on service delivery targets and the ability of Council to adequately resource this service.
- Emergency equipment such as sirens may create temporary noise effects. Emergency management response and recovery activities may also have temporary adverse effects on the community and environment while social systems are being rebuilt following an emergency event.

# Commercial & Property

## Activities included in this group

### Greymouth Aerodrome

- The aerodrome, including the runway, taxi area, grass runway for use by micro light aircraft as well as navigation lights.
- The Greymouth Aero Club as service provider to incoming and departing aircraft.
- Management of the land portfolio in the form of land leases and rights to occupy.

### Parking

- The provision of parking.
- Regulating the use of parking.

### Port of Greymouth

Managing the port, the breakwaters, wharves and the slipway.

- Managing the navigation safety function.
- Managing the land holding portfolio.

### Council property (commercial)

- A land leasehold portfolio consisting of 117 residential leases and commercial leases and 174 Licences to Occupy.

### Council property (operational)

- A building portfolio involving three leased buildings and the buildings supporting Council's administrative function (Tainui St and Runanga service centre).
- Other buildings enabling the delivery of community services, e.g. Westland Recreation Centre, Grey District Library History House Museum, Women's Centre and Left Bank Art Gallery.
- Unused Council land consisting of various titles across the District.
- Management of leases with Mawhera Incorporating regarding land leased by Council.

### Retirement Housing

- Maintaining and managing occupation of 118 units.

## Economic development

### Public restrooms

- Public toilets in 14 locations, some with other facilities.

## Why we are involved in this activity/these activities

Council provides these services as part of a much wider array of services aimed at improving the health, safety, enjoyment and connectedness of our community. Each component contributes as follows:

- The aerodrome is an important strategic asset. It not only provides the opportunity for use by smaller commercial and private aircraft but also provides a convenient transport option for Grey Base Hospital for the transfer of patients and staff as well for emergency air rescue services. In addition it is an important training venue for related activities and defensive driver training. St John's Ambulance and Land Search & Rescue both have headquarters located on the aerodrome site.
- The Parking function is an integral component of a vibrant and growing CBD and important access to other key services in the District. It provides for safety and convenient access to commercial, educational and service industries and venues.
- The ownership of the Port was transferred to Council as part of the 1989 Local Government Reorganisation. Port of Greymouth is an important fishing asset as it is located closest to the lucrative Hokitika Trench fishing grounds. It provides safe berthage to a local and, from time to time, visiting fishing fleet as well. It is home to the fish handling and processing activities of two firms.
- Council is committed to managing its commercial property portfolio responsibly so as to maximise revenue for the benefit of all residents.
- Council provides retirement housing for disadvantaged, elderly persons to give them warm, safe and affordable accommodation.
- Council is involved with projects which provide economic development benefits to ensure the Grey District is a vibrant, progressive and welcoming environment where people can live, work or visit. Council will focus on the issues of concern that can be controlled, while keeping a watchful eye on those issues of concern which are not within its control.



## Contribution to Council's Vision and Outcomes

| Outcome                        | The Grey District has:                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Economic Wellbeing</b>      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Strong Sustainable Prosperous  | <ul style="list-style-type: none"> <li>The management and operation of Council's commercial property, including the Port and Aerodrome, contribute to a strong, sustainable, and prosperous economy.</li> <li>The provision of well-maintained public restrooms supports the comfort of visitors to the district that are contributing to our economy.</li> </ul>                                                                                                      |
| <b>Social Wellbeing</b>        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Safe Connected Enabled         | <ul style="list-style-type: none"> <li>The management and operation of Council's commercial property, including the aerodrome and port, plays a key role in connecting Grey District to communities outside of the district.</li> </ul>                                                                                                                                                                                                                                |
| <b>Cultural Wellbeing</b>      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Inter-connected                | <ul style="list-style-type: none"> <li>The port and aerodrome are embedded in Greymouth's cultural history</li> <li>The commercial and property activities contribute to a positive image within and outside of the region</li> </ul>                                                                                                                                                                                                                                  |
| <b>Environmental Wellbeing</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Resilient Practical            | <ul style="list-style-type: none"> <li>The management and operation of Council's commercial property, including the port and aerodrome contribute to the district's resiliency in the event of a natural emergency.</li> <li>Public restrooms are designed to collect and treat human waste safely, preventing the release of harmful pathogens and pollutants into the environment. Proper waste management helps protect water quality and public health.</li> </ul> |

The Commercial and Property group of activities contributes to the following Community Outcomes as shown below:

|                                           | ECONOMIC | SOCIAL | CULTURAL | ENVIRONMENTAL |
|-------------------------------------------|----------|--------|----------|---------------|
| <b>Commercial and Property Activities</b> |          |        |          |               |
| Greymouth Aerodrome                       | ✓        | ✓      | ✓        | ✓             |
| Parking                                   | ✓        | ✓      |          |               |
| Port of Greymouth                         | ✓        | ✓      | ✓        | ✓             |
| Council Property (Commercial)             | ✓        | ✓      | ✓        |               |
| Council Property (Operational)            | ✓        | ✓      |          |               |
| Retirement Housing                        | ✓        | ✓      |          |               |
| Economic Development                      | ✓        | ✓      | ✓        | ✓             |
| Public Restrooms                          | ✓        |        |          | ✓             |

## What we'll provide

### Greymouth Aerodrome

We will:

- Manage and maintain all aspects of the aerodrome so they are safe and convenient to use.
- Manage the aerodrome land portfolio responsibly and to maximise fair revenue for the activity.
- Maintain Lifelines functions.

### Parking

We will:

- Manage and maintain safe and convenient parking in line with public requirements, special needs and available budgets.
- Proactively identify needs for new parking and respond to it.

- Through education and regulation ensure that available parking can be used productively.

### Port of Greymouth

Council will provide a Port service on a minimalistic basis with its main focus being on maintaining practicable Navigation Safety. As part of this, Council will, amongst others:

- Maintain a Slipway for vessels, allowing for limited, non-polluting activities.
- Maintain a cargo on and offloading facility along Richmond Quay on the basis that the users will be responsible for securing associated Resource Consents and certification as necessary.
- Provide berthing facilities for fishing vessels.
- Manage the Port land holding with a view to maximizing revenue for the Port through land sales or land leases in line with agreed leases.

### Council property (commercial)

We will:

- Manage Council's property portfolio responsibly and prudently to maximise revenue and occupation for the benefit of all residents.

### Council property (operational)

We will:

- Manage Council's operational property portfolio responsibly and prudently to provide administrative and community services for the benefit of all residents.

### Retirement Housing

We will:

- Continue to provide comfortable and affordable retirement housing.
- Maintain a 24 hour 0800 number to be used by tenants in the event of breakages or other urgent need relating to the housing.
- Maintain a fair and transparent system of access to retirement housing
- Review the need for further retirement housing on an annual basis.
- Work with other retirement housing providers, e.g. Abbeyfield, to ensure optimum efficiency

### Economic development

We will:

- Be an advocate for our community.
- Lead projects which enhance the vibrancy and wellbeing of our community and which have economic development benefits.

- Take strong leadership in addressing issues facing the District.
- Work with other authorities, agencies and stakeholders, both locally and regionally, in order to ensure the Grey District is a vibrant, progressive and welcoming environment where people can live, work or visit.

### Public Restrooms

We will:

- Maintain accessibility to facilities throughout the year.
- Maintain the services to a good, functional and hygienic standard.
- Upgrade/provide new facilities on a prioritised basis and dependent on available funding/subsidies.

## Issues and options facing the activity

### Airport

| ISSUE                                                                                                                                                                                                                                    | OPTIONS                                                                             | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>There is no coordinated plan for future development of the aerodrome site.</b>                                                                                                                                                        | 1. Develop a master plan for the aerodrome.                                         | ✓                          |                              |                          |
| <b>Maintenance and growing the use of the aerodrome, including promotion as a location for related service industries and recreational air activities.</b>                                                                               | 1. Develop a master plan for the aerodrome.                                         | ✓                          |                              |                          |
| <b>Promotion of the aerodrome as a viable air passenger transport option and/or tourism air charter flights.</b>                                                                                                                         | 1. Develop a marketing strategy to promote the aerodrome more widely.               | ✓                          |                              |                          |
| <b>Increasing Civil Aviation Authority (CAA) compliance costs for the aerodrome.</b> Security may need to be enhanced if CAA requirements increase, however this may only be needed if a commercial air passenger service is reinstated. | 1. Council will actively monitor the situation.                                     | ✓                          |                              |                          |
| <b>The aerodrome is flood prone, with recent flooding events damaging the runway.</b>                                                                                                                                                    | 1. Mitigate flood risk by installing drainage around the runway and aerodrome site. | ✓                          |                              |                          |

### Port of Greymouth

| ISSUE                                                                                                                                                                         | OPTIONS                                                                                                                                                                         | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>There is no coordinated plan for the Port.</b><br>This should include looking at future level of service to be provided and prioritised programme of maintenance/renewals. | 1. Develop a master plan for the Port.                                                                                                                                          | ✓                          | ✓                            | ✓                        |
| <b>Financial sustainability of the Port.</b> The Port has run at a deficit for many years and required rates input.                                                           | 1. Council will continue to input rates to this activity.<br>2. Continue to collect money from people benefitting from the service such as user fees and industry contribution. | ✓                          | ✓                            | ✓                        |

Please also refer to PART C: Council's Financial Strategy for additional information on this activity.

### Parking

| ISSUE                                                                                                                                                           | OPTIONS                                                                                                      | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>Ensuring users park in consideration to other users and adhere to special needs parking.</b>                                                                 | 1. Continued education of users.<br>2. Providing a parking warden service to ensure rules are complied with. | ✓                          | ✓                            | ✓                        |
| <b>A review of the Parking Strategy (developed as part of the CBD Redevelopment Plan) needs to be undertaken within the next two years (developed in 2017).</b> | 1. Council to review the Parking Strategy before the end of 2027.                                            | ✓                          |                              |                          |

### Council property (operational)

| ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | OPTIONS                                                                                                                                     | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>The fountain outside Council offices is ageing and nearing end of life.</b><br>As this is a non-critical asset, Council are preferring to focus their funding on addressing issues in their key infrastructure and critical assets such as three waters and roading and have therefore not included any funding in its budget for maintenance or renewals of the fountain once it fails. This proposal, whilst not a key consultation issue, has been included in the Consultation Document. | 1. Advise the community of Council's intention to no longer maintain or renew the fountain once it fails due it not being a critical asset. | ✓                          |                              |                          |

### Council property (commercial)

| ISSUE                                                                                                                   | OPTIONS                                                                                                                                                                                                                                 | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|-------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>The current property management system is largely manual, time consuming and in need of review.</b>                  | 1. Investigate a suitable electronic property lease management system.                                                                                                                                                                  | ✓                          | ✓                            | ✓                        |
| <b>Inconsistencies, poor records and missed opportunities mean Council may not be maximising its potential revenue.</b> | 1. Develop a commercial property portfolio strategy.<br>2. Develop a process for community leases (to replace current 'peppercorn' system).<br>3. Review fees and charges and Council policy to ensure procedures are clearly outlined. | ✓                          | ✓                            | ✓                        |

### Retirement housing

| ISSUE                                                                                                | OPTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                          | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>Demand for affordable retirement housing is increasing, especially with an ageing population.</b> | 1. Council will actively monitor the situation and will house tenants in accordance with the policy criteria, which is disadvantage elderly persons.<br>2. Council to consider anticipated demand when making decisions about the levels of service provided for this activity in future plans. This can be done by considering the development of a Housing Strategy, which would also look at the creation of a maintenance and renewals plan. | ✓                          |                              |                          |
| <b>High maintenance and renewal costs.</b>                                                           | 1. Develop a Housing Strategy, including a maintenance and renewals plan.                                                                                                                                                                                                                                                                                                                                                                        | ✓                          |                              |                          |

## Economic development

| ISSUE                                                                                                                                              | OPTIONS                                                                                                                                                                                                                                                              | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>The Community Economic Development Strategy (CEDS) was developed in 2015 and is now due for review.</b>                                         | 1. Council to review the CEDS at the start of this LTP.                                                                                                                                                                                                              | ✓                          |                              |                          |
| <b>Projects identified and prioritised by the community in the CEDS impact on and have interdependencies with the other activities of Council.</b> | 1. Council will actively communicate with all parties and look to find cross-overs to maximise efficiencies.                                                                                                                                                         | ✓                          |                              |                          |
| <b>Implementation of the Greymouth CBD Redevelopment Plan is ongoing and will require collaboration between all parties.</b>                       | 1. Council will seek external funding to implement actions from the Greymouth CBD Redevelopment Plan. No funding has been included in this plan.<br>2. Council will work collaboratively with stakeholders in the ongoing beautification and improvement of the CBD. |                            |                              |                          |

## Public Restrooms

| ISSUE                                                                                                                                                                                                             | OPTIONS                                                                                                                                                                                                                                                                    | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>Demand from the public.</b><br>Several new facilities have been built in recent years. Future demand will be monitored and a business case put together if it is believed the need for more facilities arises. | 1. Council is closely monitoring the situation.<br>2. The Tourism Infrastructure Fund is a possible option for financial assistance towards new ablution facilities, noting a flexible contribution is required by Council and ongoing maintenance costs will be incurred. | ✓                          | ✓                            | ✓                        |
| <b>Due to budget constraints, the proactive maintenance funding for public toilets has been reduced for this Plan. This is likely to see a decrease in the level of customer satisfaction.</b>                    | 1. Council will actively monitor the situation.                                                                                                                                                                                                                            | ✓                          | ✓                            | ✓                        |

## Options for community consultation

As part of the community consultation we'll be undertaking on the Draft Plan, the following is a summary of information that will be provided on options for material issues and the implications of each for community feedback. Full details can be found in the Consultation Document.

| Issue                                                                                                                                                        | Option                                                                                                                                                             | Implications/Impacts                                                                                                                                                                                                                                                            |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>The future of the Harbour Board and History House Museum buildings. These buildings are earthquake prone and no longer required for Council business.</b> | 1. Sell both the Harbour Board and History House Buildings and put proceeds from the sale into the relevant Land Sale Reserve. <b>[Council's preferred option]</b> | <ul style="list-style-type: none"> <li>Council receives proceeds from the sale of the buildings (less legal and subdivision fees), to go into the appropriate Land Sale Reserve.</li> <li>Disposes of buildings no longer required for Council operational purposes.</li> </ul> |

|                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |      |                                                                                                                                                           |       |                                                                                                                                                                                                                                                                                                                                                                                                                               |      |                                                                                                                                                           |       |                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Council is proposing to sell them rather than undertake costly earthquake strengthening works on buildings no longer required for Council operations. It is noted that the Harbour Board building currently sits on the larger Port operational land and will require a subdivision to grant a separate title prior to sale.</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                               | <ul style="list-style-type: none"><li>• Council does not have to fund works or maintenance on buildings it has no operational purpose for.</li><li>• The buildings/and or land are available for others to make use of.</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |      |                                                                                                                                                           |       |                                                                                                                                                                                                                                                                                                                                                                                                                               |      |                                                                                                                                                           |       |                                                                                                                                                                                                                                                                                                                                                                                                                                |
|                                                                                                                                                                                                                                                                                                                                     | 2                                                                                                                                                                                                                                                                                                                                                                                                                              | Undertake the earthquake strengthening works on both buildings.                                                                                                                                                                                                                                                                                                                                                               | <ul style="list-style-type: none"><li>• Council will need to debt fund this work, then allow for the cost of debt repayments and building maintenance in its ongoing costs. These have not been included in its current forecasts.</li><li>• Indicative impacts on rates and debt are as follows:</li></ul> <b>Harbour Board building</b> <table><tr><td>Debt</td><td>Council would have to borrow to fund the earthquake strengthening works, therefore debt would increase by \$750,000* (over a term of 30 years) in year 5.</td></tr><tr><td>Rates</td><td>From year 4 – debt repayments (for 6 months only):<ul style="list-style-type: none"><li>• \$24,515 per annum, funded from the general rate, approximately 0.005% of the rates increase from year 3</li></ul>From year 5 – debt repayments and maintenance costs:<ul style="list-style-type: none"><li>• \$99,032 per annum, funded from the general rate, approximately 0.024% of the rates increase from year 6</li></ul></td></tr></table> <b>History House Museum building</b> <table><tr><td>Debt</td><td>Council would have to borrow to fund the earthquake strengthening works, therefore debt would increase by \$800,000* (over a term of 30 years) in year 3.</td></tr><tr><td>Rates</td><td>From year 3 – debt repayments (for 6 months only):<ul style="list-style-type: none"><li>• \$25,716 per annum, funded from the general rate, approximately 0.007% of the rates increase from year 3</li></ul>From year 4 – debt repayments and maintenance costs:<ul style="list-style-type: none"><li>• \$111,432 per annum, funded from the general rate, approximately 0.025% of the rates increase from year 4</li></ul></td></tr></table> <p><i>* Uninflated cost</i></p> | Debt | Council would have to borrow to fund the earthquake strengthening works, therefore debt would increase by \$750,000* (over a term of 30 years) in year 5. | Rates | From year 4 – debt repayments (for 6 months only): <ul style="list-style-type: none"><li>• \$24,515 per annum, funded from the general rate, approximately 0.005% of the rates increase from year 3</li></ul> From year 5 – debt repayments and maintenance costs: <ul style="list-style-type: none"><li>• \$99,032 per annum, funded from the general rate, approximately 0.024% of the rates increase from year 6</li></ul> | Debt | Council would have to borrow to fund the earthquake strengthening works, therefore debt would increase by \$800,000* (over a term of 30 years) in year 3. | Rates | From year 3 – debt repayments (for 6 months only): <ul style="list-style-type: none"><li>• \$25,716 per annum, funded from the general rate, approximately 0.007% of the rates increase from year 3</li></ul> From year 4 – debt repayments and maintenance costs: <ul style="list-style-type: none"><li>• \$111,432 per annum, funded from the general rate, approximately 0.025% of the rates increase from year 4</li></ul> |
|                                                                                                                                                                                                                                                                                                                                     | Debt                                                                                                                                                                                                                                                                                                                                                                                                                           | Council would have to borrow to fund the earthquake strengthening works, therefore debt would increase by \$750,000* (over a term of 30 years) in year 5.                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |      |                                                                                                                                                           |       |                                                                                                                                                                                                                                                                                                                                                                                                                               |      |                                                                                                                                                           |       |                                                                                                                                                                                                                                                                                                                                                                                                                                |
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|                                                                                                                                                                                                                                                                                                                                     | Debt                                                                                                                                                                                                                                                                                                                                                                                                                           | Council would have to borrow to fund the earthquake strengthening works, therefore debt would increase by \$800,000* (over a term of 30 years) in year 3.                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |      |                                                                                                                                                           |       |                                                                                                                                                                                                                                                                                                                                                                                                                               |      |                                                                                                                                                           |       |                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Rates                                                                                                                                                                                                                                                                                                                               | From year 3 – debt repayments (for 6 months only): <ul style="list-style-type: none"><li>• \$25,716 per annum, funded from the general rate, approximately 0.007% of the rates increase from year 3</li></ul> From year 4 – debt repayments and maintenance costs: <ul style="list-style-type: none"><li>• \$111,432 per annum, funded from the general rate, approximately 0.025% of the rates increase from year 4</li></ul> |                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |      |                                                                                                                                                           |       |                                                                                                                                                                                                                                                                                                                                                                                                                               |      |                                                                                                                                                           |       |                                                                                                                                                                                                                                                                                                                                                                                                                                |
|                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |      |                                                                                                                                                           |       |                                                                                                                                                                                                                                                                                                                                                                                                                               |      |                                                                                                                                                           |       |                                                                                                                                                                                                                                                                                                                                                                                                                                |
|                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |      |                                                                                                                                                           |       |                                                                                                                                                                                                                                                                                                                                                                                                                               |      |                                                                                                                                                           |       |                                                                                                                                                                                                                                                                                                                                                                                                                                |
|                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |      |                                                                                                                                                           |       |                                                                                                                                                                                                                                                                                                                                                                                                                               |      |                                                                                                                                                           |       |                                                                                                                                                                                                                                                                                                                                                                                                                                |

## How we'll measure our performance

### Parking

| What we're measuring                                                                                                                     | How we'll measure                                                       | Target                          |                    |                                     |                                      |                          |
|------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|---------------------------------|--------------------|-------------------------------------|--------------------------------------|--------------------------|
|                                                                                                                                          |                                                                         | Current Performance (2023/2024) | Year 1 (2025/2026) | Years 2 – 3 (2026/2027 – 2027/2028) | Years 4 – 9 (2028/2029 to 2033/2034) | Target Trend (years 1-9) |
| Response time to complaints made during working hours about parking, e.g. over fire hydrants, over driveways, inconsiderate parking etc. | % of complaints are responded to within one hour (during working hours) | New Measure                     | 80%                | 85%                                 | 95%                                  | Improving                |

### Port

| What we're measuring                           | How we'll measure                                       | Target                          |                    |                                     |                                      |                                                                                           |
|------------------------------------------------|---------------------------------------------------------|---------------------------------|--------------------|-------------------------------------|--------------------------------------|-------------------------------------------------------------------------------------------|
|                                                |                                                         | Current Performance (2023/2024) | Year 1 (2025/2026) | Years 2 – 3 (2026/2027 – 2027/2028) | Years 4 – 9 (2028/2029 to 2033/2034) | Target Trend (years 1-9)                                                                  |
| Minimum number of Grey Bar soundings per annum | Number of soundings                                     | New Measure                     | 2                  | 2                                   | 2                                    | Maintain                                                                                  |
| Slipway maintenance                            | Days available for boat maintenance per annum           | New Measure                     | 95%                | 95%                                 | 95%                                  | Maintain                                                                                  |
| Dredging                                       | m <sup>3</sup> of sediment and debris removed per annum | New Measure                     | 25,000             | 25,000                              | 15,000                               | Decreasing<br>(Decreasing amount of sediment required to be removed to maintain the Port) |

Retirement Housing

| What we’re measuring                                                                 | How we’ll measure                                    | Target                          |                    |                                     |                                      |                          |
|--------------------------------------------------------------------------------------|------------------------------------------------------|---------------------------------|--------------------|-------------------------------------|--------------------------------------|--------------------------|
|                                                                                      |                                                      | Current Performance (2023/2024) | Year 1 (2025/2026) | Years 2 – 3 (2026/2027 – 2027/2028) | Years 4 – 9 (2028/2029 to 2033/2034) | Target Trend (years 1-9) |
| An affordable, well maintained, and efficient retirement housing service is provided | Achievement of minimum percentage of occupancy rates | 99.84%                          | 95%                | 95%                                 | 95%                                  | Maintain                 |
| Compliance with Healthy Home Standards                                               | % of units which meet the standards                  | New Measure                     | 100%               | 100%                                | 100%                                 | Maintain                 |
| Housing inspections                                                                  | Bi-annual inspections                                | New Measure                     | 98%                | 98%                                 | 98%                                  | Maintain                 |

Public Restrooms

| What we’re measuring | How we’ll measure                                                              | Target                          |                    |                                     |                                      |                          |
|----------------------|--------------------------------------------------------------------------------|---------------------------------|--------------------|-------------------------------------|--------------------------------------|--------------------------|
|                      |                                                                                | Current Performance (2023/2024) | Year 1 (2025/2026) | Years 2 – 3 (2026/2027 – 2027/2028) | Years 4 – 9 (2028/2029 to 2033/2034) | Target Trend (years 1-9) |
| Restroom amenity     | Audits of restroom cleaning                                                    | New Measure                     | 95%                | 95%                                 | 95%                                  | Maintain                 |
|                      | % of customer cleanliness service requests responded to within one working day | New Measure                     | 95%                | 95%                                 | 95%                                  | Maintain                 |



## Financial information

### Activity funding

These activities are mainly funded by:

#### User fees

- Regulation/enforcement costs are recovered from parking fines.
- Recovery from users of Port facilities to be maximised.
- Landing fees recovered from actual users at market competitive rates.
- Occupiers of commercial Council property to meet fair market rentals.
- Whilst retirement housing is provided at below market rents, there is an expectation the activity will require no direct rates input.

#### General rates

- General benefit available District wide by having accessible parking in main commercial area plus no charge for on-street parking, therefore a general rate input appropriate.
- General rates input into Port activity.
- The aerodrome is an integral part of Council's lifelines function with respect to accessibility and how Council can respond to civil emergencies. This has a District wide benefit.

#### Internal overheads recovered

- The cost of providing property for Council's administration is recovered from the external activities delivered.

## Funding impact statement

|                                                                       | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|-----------------------------------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>[A] SOURCES OF OPERATING FUNDING</b>                               |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| General rates, uniform annual general charges, rates penalties        | 1,344                        | 545                         | 818                         | 1,040                       | 1,080                       | 1,105                       | 1,123                       | 1,060                       | 1,052                       | 1,063                       |
| Targeted rates                                                        | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Subsidies and grants for operating purposes                           | 64                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Fees and charges                                                      | 1,435                        | 1,318                       | 1,357                       | 1,395                       | 1,430                       | 1,465                       | 1,498                       | 1,531                       | 1,565                       | 1,598                       |
| Internal charges and overheads recovered                              | 1,421                        | 579                         | 320                         | 313                         | 302                         | 328                         | 337                         | 347                         | 356                         | 365                         |
| Local authorities fuel tax, fines, infringement fees & other receipts | 70                           | 512                         | 672                         | 690                         | 708                         | 725                         | 741                         | 758                         | 774                         | 791                         |
| <b>Total sources of operating funding [A]</b>                         | <b>4,334</b>                 | <b>2,954</b>                | <b>3,168</b>                | <b>3,438</b>                | <b>3,520</b>                | <b>3,622</b>                | <b>3,700</b>                | <b>3,695</b>                | <b>3,747</b>                | <b>3,816</b>                |
| <b>[B] APPLICATIONS OF OPERATING FUNDING</b>                          |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Payments to staff and suppliers                                       | 2,066                        | 2,224                       | 2,117                       | 2,176                       | 2,231                       | 2,284                       | 2,336                       | 2,387                       | 2,439                       | 2,489                       |
| Finance costs                                                         | 249                          | 246                         | 250                         | 261                         | 281                         | 304                         | 319                         | 326                         | 329                         | 329                         |
| Internal charges and overheads applied                                | -                            | 520                         | 523                         | 537                         | 549                         | 563                         | 576                         | 588                         | 600                         | 612                         |
| Other operating funding applications                                  | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total applications of operating funding [B]</b>                    | <b>2,315</b>                 | <b>2,990</b>                | <b>2,890</b>                | <b>2,974</b>                | <b>3,060</b>                | <b>3,151</b>                | <b>3,231</b>                | <b>3,301</b>                | <b>3,368</b>                | <b>3,429</b>                |
| <b>Surplus /(deficit) of operating funding [A] - [B]</b>              | <b>2,020</b>                 | <b>(36)</b>                 | <b>277</b>                  | <b>464</b>                  | <b>460</b>                  | <b>470</b>                  | <b>468</b>                  | <b>394</b>                  | <b>379</b>                  | <b>387</b>                  |
| <b>[C] SOURCES OF CAPITAL FUNDING</b>                                 |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Subsidies and grants for capital expenditure                          | 2,375                        | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Development and financial contributions                               | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Increase (decrease) in debt                                           | 5,600                        | (12)                        | (71)                        | 201                         | 237                         | 69                          | (46)                        | (48)                        | (51)                        | (54)                        |
| Gross proceeds from sale of assets                                    | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Lump sum contributions                                                | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Other dedicated capital funding                                       | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total sources of capital funding [C]</b>                           | <b>7,975</b>                 | <b>(12)</b>                 | <b>(71)</b>                 | <b>201</b>                  | <b>237</b>                  | <b>69</b>                   | <b>(46)</b>                 | <b>(48)</b>                 | <b>(51)</b>                 | <b>(54)</b>                 |
| <b>[D] APPLICATIONS OF CAPITAL FUNDING</b>                            |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Capital expenditure                                                   |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| —to meet additional demand                                            | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| —to improve the level of service                                      | -                            | -                           | 55                          | 4                           | -                           | 4                           | 4                           | -                           | 4                           | 4                           |
| —to replace existing assets                                           | 8,495                        | 689                         | 585                         | 749                         | 967                         | 447                         | 344                         | 351                         | 359                         | 367                         |
| Increase (decrease) in reserves                                       | 1,500                        | (736)                       | (434)                       | (88)                        | (270)                       | 88                          | 74                          | (6)                         | (35)                        | (38)                        |
| Increase (decrease) of investments                                    | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total applications of capital funding [D]</b>                      | <b>9,995</b>                 | <b>(48)</b>                 | <b>206</b>                  | <b>665</b>                  | <b>697</b>                  | <b>540</b>                  | <b>422</b>                  | <b>346</b>                  | <b>329</b>                  | <b>333</b>                  |
| <b>Surplus /(deficit) of capital funding [C] - [D]</b>                | <b>(2,020)</b>               | <b>36</b>                   | <b>(277)</b>                | <b>(464)</b>                | <b>(460)</b>                | <b>(470)</b>                | <b>(468)</b>                | <b>(394)</b>                | <b>(379)</b>                | <b>(387)</b>                |
| <b>Funding balance [A - B] + [C - D]</b>                              | <b>-</b>                     | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    |

## Profit and loss for group of activities

The previous funding impact statement summarises all the money to be raised (sources of funds) and where it is to be spent (application of funding). It does not take into account any transactions that have no direct funding impact ('non cash' transactions), such as depreciation. Some of these transactions have a material impact on Council's surplus/deficit, most notably depreciation. Depreciation is discussed in more detail in PART C: Council's Financial Strategy. It is therefore important to consider the impact of these transactions for each group of activities. This will also allow you to see how each group of activities contributes to Council's overall financial performance detailed later in this plan

|                                                          | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|----------------------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>REVENUE</b>                                           |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Rates revenue                                            | 594                          | 490                         | 770                         | 986                         | 1,025                       | 1,047                       | 1,064                       | 999                         | 990                         | 1,004                       |
| Subsidies and grants                                     | 561                          | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Fees and Charges                                         | 1,135                        | 1,318                       | 1,357                       | 1,395                       | 1,430                       | 1,465                       | 1,498                       | 1,531                       | 1,565                       | 1,598                       |
| Other revenue                                            | 472                          | 512                         | 672                         | 690                         | 708                         | 725                         | 741                         | 758                         | 774                         | 791                         |
| Development and financial contributions                  | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total Income</b>                                      | <b>2,762</b>                 | <b>2,320</b>                | <b>2,799</b>                | <b>3,072</b>                | <b>3,162</b>                | <b>3,236</b>                | <b>3,303</b>                | <b>3,288</b>                | <b>3,330</b>                | <b>3,392</b>                |
| <b>EXPENDITURE</b>                                       |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Personnel costs                                          | 665                          | 475                         | 490                         | 504                         | 517                         | 530                         | 541                         | 553                         | 564                         | 574                         |
| Depreciation and amortisation expense                    | 760                          | 883                         | 966                         | 989                         | 1,010                       | 1,106                       | 1,120                       | 1,131                       | 1,201                       | 1,212                       |
| Finance costs                                            | 311                          | 246                         | 250                         | 261                         | 281                         | 304                         | 319                         | 326                         | 329                         | 329                         |
| Other expenses                                           | 977                          | 1,607                       | 1,754                       | 1,813                       | 1,875                       | 1,901                       | 1,943                       | 1,983                       | 2,025                       | 2,069                       |
| <b>Total Expenditure</b>                                 | <b>2,712</b>                 | <b>3,210</b>                | <b>3,461</b>                | <b>3,567</b>                | <b>3,683</b>                | <b>3,841</b>                | <b>3,924</b>                | <b>3,993</b>                | <b>4,118</b>                | <b>4,184</b>                |
| <b>Surplus /(deficit) of operating funding [A] - [B]</b> | <b>50</b>                    | <b>(890)</b>                | <b>(662)</b>                | <b>(495)</b>                | <b>(521)</b>                | <b>(605)</b>                | <b>(620)</b>                | <b>(704)</b>                | <b>(789)</b>                | <b>(793)</b>                |

## Significant expenditure

Please refer to the Infrastructure Strategy for details.

## How we manage our assets that support this activity

Council has an extensive level of information about assets (including buildings) in the Activity Management Plans (AMPs). The AMPs also contain detailed service level information such as capacity, response to complaints and criteria for maintenance, renewals and upgrades.

Assets that are critical to the system are monitored proactively and decisions made about maintenance, upgrades and renewals as needed. Council also responds to information from customers and contractors, as well as resident surveys and enquiries.

The ability to maintain Port assets is severely constrained by the current funding deficit of the activity, which is proposed to be addressed over the life of this plan.

### Library building – ownership

Council has resolved to rescind a previous decision to form a CCO for the library and change to a unit title ownership structure. This offers a more pragmatic and financially sustainable approach, allowing Council and Development West Coast to own separate, clearly defined units within the Library building. In future Council could sell its units if needed, providing a mechanism for future debt reduction.

### Proposed increase in levels of service

None signalled in this Plan.

### Additional capacity

Not technically additional capacity but the new Grey District Library building is planned to be completed in Year 1 of this Plan.

Other than that, no other additional capacity specifically provided for in the Plan, beyond providing for future growth when replacing assets.

## Key assumptions we have made about this activity/these activities

- Relationships with service providers of non-Council services identified in this plan as well as other authorities including the Crown and neighbouring local authorities will remain constructive and positive.
- Council will continue to lead and facilitate economic development initiatives identified by the community and recognised these in a Strategy.

## Key assumptions about the useful life of assets and the sources of funding for replacement

Assumptions regarding the life of assets include:

- Assets will perform to the required standard per the AMPs for the duration of their useful lives. Where assets remain in service beyond their useful life, they will be regularly assessed as to their condition to ensure they remain safe to use.
- Assumptions regarding sources of funding for replacement of assets are:
- Asset renewals will primarily be funded from loans funded over the expected life of the asset.

- Other sources of funding include:
  - Rates
  - Special Reserve funds
  - Land lease rentals
  - User charges
  - Fines

Assumptions regarding specific assets are as follows.

### Port

#### Port as a whole

- Council will, in consultation with the fishing industry, implement measures to address the financial sustainability of the Port as soon as affordable. This will provide for the maintenance of assets.

#### Navigation safety:

- The beacons, with normal maintenance, will be functional into the future for at least 30 years. It is assumed that legal compliance requirements for such facilities will remain unchanged into the future.
- The blue warning was replaced in 2015/2016 and will have a life of 15 years.
- The lagoon will be dredged to a depth of 3m.

#### Berths in the lagoon:

- The smaller vessels in the industry will likely be phased out over the next 15 years and the need will be for longer, deep water berthage alongside the eastern embankment.
- Council will, if funding is available, undertake significant maintenance of the Packers Quay berths.

#### Land held

- Residential: The current arrangement whereby the land is leased in line with lease agreements will continue. Freeholding will continue to be encouraged.
- Commercial: The current arrangement whereby land is leased per lease agreements will continue. Further freeholding/sale will take place.
- Other land held: Non-strategic land will be sold where possible

## Significant potential negative effects of this activity

### Greymouth Aerodrome

- The major impact is noise associated with aircraft landing and taking off.
- There is, to a minor degree, an issue with fumes.

### Parking

Nil

### Greymouth Port

Environmental effects:

- Noise: It is a 24 hour operation and there is a potential of noise especially at night.
- Odours: The smell of fish is generally prevalent.
- Water Pollution: There is an ongoing risk of oil spills and various other forms of water pollution.
- Risk to life: The bar is known to be unpredictable, if not dangerous.
- Emissions to air. The cargo activity (fertilizer and gravel) has the ability to create dust. However it will be managed in terms of the RMA.
- Financial: The Port is capital intensive well beyond what user fees can pay for. It will require significant rates and industry input for a long time.

### Council property (commercial)

- There is the potential that Council land holdings may, from time to time, become untidy (e.g. grass overgrown). Council is committed to avoid this from happening in built-up areas.
- Buildings that remain earthquake prone may create a disincentive for their occupancy and use.
- Financial risk if the property market declines, this will cause Council to lose money on its investment and therefore causing rates to increase.

### Public Restrooms

- Potential to become a target location for undesirable social acts, threatening or criminal behaviour, vandalism, property damage and fire.

# Community & Recreation

## Activities included in this group

Community facilities include:

### Grey District Library

### Swimming Pools

- Westland Recreation Centre

### Heritage, Arts & Culture

- Museum operations
- Financial support to other Arts, Culture and Heritage bodies

### Indoor Sport Centres

- Westland Recreation Centre

### Cemeteries

- Karoro Cemetery
- Gladstone Cemetery
- Stillwater Cemetery
- Barrytown Cemetery
- Blackball Cemetery
- Ahaura Cemetery
- Nelson Creek Cemetery (Ngahere)
- Moonlight Cemetery (not maintained)
- Māori Gully
- Cobden Cemetery
- Greenstone Cemetery
- Dunganville Cemetery (not maintained)
- Notown Cemetery
- Napoleon's Hill Cemetery (not maintained)
- Interment (burial) services
- Application and pre-purchase of burial plots
- Cemetery records

### Parks, Reserves & Public Spaces

- Parks
- Playgrounds

- Walking tracks
- Other open areas accessible to the public
- Statues and monuments
- Greymouth Floodwall viewing platform
- Council fountain
- Town Square
- West Coast Wilderness Cycle Trail (Grey District portion)

### In-house Task Force

### Events facilitation

## Why we are involved in this activity/these activities

It is a requirement for any community to have access to a wide range of services that makes living in that area and visiting that area attractive and enjoyable. It is often described as services and activities that make any community whole. These services often define a community and give the community identity and a sense of belonging.

Services can be in the form of active and passive recreation and enjoyment.

Facilities offered by Grey District Council are critical services that ensure the wellbeing of our communities and answer the needs of society. Whether those needs be economic, social, environmental, emotional or physical, our facilities are where people can feed their imaginations, rebuild their lives, find direction, upskill themselves, and put the theory of growth, understanding and tolerance into practice.

Council facilitates events in the Grey District to provide vibrancy and enhance community wellbeing. Council will organise events to be held on Council property, e.g. Town Square, community facilities. Council will also promote other events being held in the district and assist event organisers with any Council requirements they may be required to comply with, thus serving as a 'single point of contact'.

## Contribution to Council's Vision and Outcomes

| Outcome                                                  | The Grey District has:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Economic Wellbeing</b>                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Strong<br/>Diverse<br/>Sustainable<br/>Prosperous</b> | <ul style="list-style-type: none"> <li>Community and recreation facilities and services can attract visitors and generate revenue for local businesses. They can also help to create jobs in the construction, maintenance, and operation of these facilities.</li> <li>Museums can stimulate tourism, attracting visitors and boosting local economies through increased tourism-related activities.</li> <li>The facilitation of community and civic events can boost the local economy, benefiting business and creating employment opportunities.</li> </ul>                                                                                                                                                                                                                                                                                                            |
| <b>Social Wellbeing</b>                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Safe<br/>Inclusive<br/>Connected<br/>Enabled</b>      | <ul style="list-style-type: none"> <li>Libraries and museums host events, workshops, and exhibitions that engage communities, promote social cohesion, and encourage dialogue on important topics.</li> <li>Libraries and museums strive to be inclusive spaces, welcoming people from diverse backgrounds and fostering a sense of belonging.</li> <li>Sport and recreation facilities create a sense of community and unity. They provide a space for people of all ages and backgrounds to come together, fostering a strong community identity and promoting social cohesion.</li> <li>Sport and recreation facilities should be accessible to people of all abilities, backgrounds, and socioeconomic statuses, promoting inclusivity and diversity within the community.</li> <li>A vibrant events calendar can enhance the quality of life for residents.</li> </ul> |
| <b>Cultural Wellbeing</b>                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Proud<br/>Unique<br/>Inter-connected<br/>Vibrant</b>  | <ul style="list-style-type: none"> <li>Museums showcase art, artifacts, and exhibitions that enrich cultural understanding and appreciation, fostering creativity and a sense of identity.</li> <li>Sport and recreation facilities can contribute to a source of cultural identity and pride. Communities often rally behind their local sports teams or athletes, creating a sense of shared identity and belonging.</li> <li>Many parks and reserves are home to historical sites, landmarks, and cultural heritage. They may contain archaeological sites, monuments, or structures that have significant cultural value, helping communities connect with their past.</li> </ul>                                                                                                                                                                                       |

|                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                              | <ul style="list-style-type: none"> <li>Facilitation of a wide range of recreational, sporting, leisure, art, and cultural events and activities.</li> </ul>                                                                                                                                                                                                                                                                                    |
| <b>Environmental Wellbeing</b>               |                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Practical<br/>Resilient<br/>Strategic</b> | <ul style="list-style-type: none"> <li>Parks and reserves provide a wide range of environmental benefits, contributing to the conservation of biodiversity, the preservation of ecosystems, and the overall health of the planet.</li> <li>Well-maintained cemeteries with diverse plantings can attract wildlife, including birds and pollinators. These spaces can contribute to biodiversity in urban and suburban environments.</li> </ul> |

|                                          | ECONOMIC | SOCIAL | CULTURAL | ENVIRONMENTAL |
|------------------------------------------|----------|--------|----------|---------------|
| <b>Activity Group</b>                    |          |        |          |               |
| <b>Libraries</b>                         | ✓        | ✓      | ✓        |               |
| <b>Arts, Culture and Heritage</b>        | ✓        | ✓      | ✓        |               |
| <b>Westland Recreation Centre</b>        | ✓        | ✓      | ✓        |               |
| <b>Cemeteries</b>                        |          | ✓      | ✓        | ✓             |
| <b>Parks, Reserves and Public Spaces</b> | ✓        | ✓      | ✓        | ✓             |
| <b>Events Facilitation</b>               | ✓        | ✓      | ✓        | ✓             |

## What we'll provide

### Libraries

We will:

- Encourage a reading culture as reading underpins all the skills needed to enable New Zealanders to make better lives for themselves, their whanau and their communities;
- Provide collections that entice, inspire and inform;
- Deliver literacies for a twenty-first century world including information, digital, oral and visual literacies;
- Promote community connectedness with appropriate activities and programmes that cultivate a sense of belonging;
- Contribute to a thriving community hub as an 'anchor' facility within the Greymouth CBD.

### Swimming Pools

We will:

- Continue to provide access to the Westland Recreation Centre pools and facilities on a seven days per week basis throughout the year (with closure on some statutory holidays only and for necessary maintenance from time to time).
- Continue to provide events, facilities and programmes which meet the needs of our community and enhance their health and wellbeing.

### Heritage, Arts and Culture

Council takes an interest in making sure that other arts and culture facilities are sustainable and does this through advocacy, co-operation and financial support where possible. Council provides financial grants to organisations arts and culture facilities and does so through the Grey District Council Contestable Fund. The Contestable Fund uses the Council's Vision and Outcomes as criteria that is applied to the funding. It also has a Signage, Interpretation and Public Art (SIPA) fund which is available to local communities for projects that create vibrancy, install public art or otherwise communicate the district's unique West Coast identity. Council also provides financial support to the West Coast Society of the Arts and the Regent Theatre.

We will:

- Safeguard our memories by collecting documents, ephemera, objects and images that tell the stories of the Grey District.
- Make our resources available to researchers and visitors through well catalogued and accessible collections and resources.
- Tell our stories through engaging exhibitions and displays.
- Maintain financial and other support for other bodies and institutions active in the field of Arts, Culture and Heritage.

### Indoor Sport Facilities

We will:

- Continue to develop the Westland Recreation Centre, as part of a Recreational Hub, as a high quality facility and will, in the process, seek to maximise efficiencies by optimising cooperation with other sporting bodies that form part of the hub.
- Provide access to the Westland Recreation Centre on a seven days per week basis throughout the year (with closure on some statutory holidays only and for necessary maintenance from time to time).
- Continue to provide events, facilities and programmes which meet the needs of our community and enhance their health and wellbeing.

### Cemeteries

We will:

- Maintain all cemeteries (open and closed) to a standard that respects those buried there. The exception is Moonlight, Dunganville and Napoleon's Hill Cemeteries which are historic cemeteries and do not require the same level of maintenance.
- Provide all associated services professionally.

### Parks, Reserves and Public Spaces

We will:

- Maintain parks, reserves and public spaces to a good standard.

### In House Task Force

We will:

- Continue to provide general maintenance and repair services across Council activities.
- Continue to provide garden maintenance services to Council properties around the District.

### Events facilitation

We will:

- Organise events in Council public spaces such as the Town Square and community and recreation centres.
- Work alongside event providers, community groups and businesses to facilitate the provision of events which meet the needs of our community and enhance their health and wellbeing and community cohesion.
- Promote other events in the district.



## Issues and options facing the activities

### Applicable across all activities

| ISSUE                                                                                                                                                          | OPTIONS                                                                                                                                                                         | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>Changing/unreasonable/unaffordable customer demands and expectations.</b>                                                                                   | 1. Council will actively monitor the situation and make adjustments as required.                                                                                                | ✓                          | ✓                            | ✓                        |
| <b>Damage caused to facilities and assets by natural hazard events (including climate change-induced).</b>                                                     | 1. Council will keep its assets in good condition and maintain an appropriate asset renewal programme.<br>2. Council will contribute to emergency reserves for such situations. | ✓                          | ✓                            | ✓                        |
| <b>Changes in the marketplace affecting the availability and cost of goods and services, contractors and consultants – excessive tender prices/no tenders.</b> | 1. Council will monitor the situation.                                                                                                                                          | ✓                          | ✓                            | ✓                        |

### Libraries

| ISSUE                                                                                                                                                                                        | OPTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                         | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>Current library building is too small to meet the modern day requirements of a public library.</b>                                                                                        | 1. Construction of the new library building is planned to be completed in Year 1. Possibly incorporating museum display and storage areas.                                                                                                                                                                                                                                                                                                      | ✓                          |                              |                          |
| <b>The current library building will be surplus to requirements when the new library is operational.</b>                                                                                     | 1. Investigate alternative use options for the old library building, taking into consideration it is located on Mawhera lease land.                                                                                                                                                                                                                                                                                                             | ✓                          |                              |                          |
| <b>Increasing demand on library services and support to assist those in the community who are not connected online, who do not use a mobile phone or have limited internet connectivity.</b> | 1. The new library building will provide improved connectivity for the community, being a purpose built facility.<br>2. Continue membership of APNK to provide free access to computers, the internet and Wi-Fi.<br>3. In partnership with the Digital Inclusion Alliance Aotearoa, continue to provide free modems for households who cannot afford broadband.<br>4. Extend the range and frequency of free digital literacy training classes. | ✓                          |                              |                          |
| <b>In times of disaster or economic hardship, libraries experience increased demands for services.</b>                                                                                       | 1. Retain a flexible approach to collection budgets so we can increase purchase of eContent during lockdown periods.<br>2. Increase the number of staff with Council-supplied mobile devices and mobile phones to increase working from home abilities.                                                                                                                                                                                         | ✓                          |                              |                          |

## Heritage, Arts & Culture

| ISSUE                                                                                                                                                                                       | OPTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>History House Museum building in Gresson Street has been closed since March 2017 due to a seismic assessment. Visitors cannot access the collection or view displays or exhibitions.</b> | 1. Consider other options/partnerships to deliver a museum service.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | ✓                          |                              |                          |
| <b>History House collection storage, care and management.</b>                                                                                                                               | 1. Continue the assessment of the collection, identifying material that tells the stories of the Grey District and material which can be returned to donors or offered to more relevant museums.<br>2. Consider future options for the care, management and display of our collections.<br>3. Initiate a project to deaccession and dispose of material no longer relevant to the collection.<br>4. With advise and support from Te Papa Museum Development Advisors, identify and implement appropriate storage environments<br>5. Continue to relocate archival and photographic material as appropriate to temporary storage space. | ✓                          |                              |                          |
| <b>Investigate options for appropriate storage space for the museum collection in partnership with other Councils and organisations.</b>                                                    | 1. Establish appropriate storage for part of the museum collection.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | ✓                          |                              |                          |
| <b>Explore opportunities to move more local stories online</b>                                                                                                                              | 1. Utilise new equipment to digitise more local heritage content<br>2. Identify collaborative partners to achieve improved access and economies of scale                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | ✓                          |                              |                          |

## Westland Recreation Centre

| ISSUE                                                                                                                                                                                   | OPTIONS                                                                                                                   | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>Westland Recreation Centre unable to deliver programmes due to limited access to qualified professionals.</b>                                                                        | 1. Recruitment, retention and management of qualified staff by offering mentoring and strong leadership from supervisors. | ✓                          | ✓                            | ✓                        |
| <b>The playground associated with the Westland Recreation Centre is dated, under-utilised and in need of a refresh if it is to remain. The falls protection also require upgrading.</b> | 1. Investigate options for the future of the playground from renewal, replacement, new playground or removal.             | ✓                          |                              |                          |

| ISSUE                                                                                                                 | OPTIONS                                                                                                                                                                                                                                                                                               | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|-----------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>The courts are at capacity during the winter season at peak demand times.</b>                                      | <ol style="list-style-type: none"> <li>1. Investigate use of incentives to move peak time users to non-peak times when courts are under-utilised.</li> <li>2. Investigate and propose alternative rates for events and tournaments to recover cost of wear and tear of changing rooms etc.</li> </ol> | ✓                          |                              |                          |
| <b>High renewals programme. Deferring renewals and replacements will lead to failures and higher operating costs.</b> | <ol style="list-style-type: none"> <li>1. Prioritised renewals programme.</li> </ol>                                                                                                                                                                                                                  | ✓                          | ✓                            | ✓                        |

## Cemeteries

| ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | OPTIONS                                                                                                                                                                                                                                                                                                                                                     | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>Karoro Cemetery is now at capacity and Nelson Creek Cemetery and Stillwater Cemetery will reach full capacity (other than pre-paid plots and armed forces plots where applicable) during the life of this Plan and will be closed.</b><br><br>This will leave Gladstone Memorial Park Cemetery as the District Cemetery. This cemetery has capacity sufficient for the life of this Plan and beyond - based on projected levels of interment, it is predicted to reach full capacity around 2100. | <ol style="list-style-type: none"> <li>1. Council will endeavour to maximise the capacity of existing cemeteries to ensure they remain open for as long as possible.</li> <li>2. Council will continue to develop Gladstone Memorial Park into a District Cemetery and to close existing decentralised cemeteries as they become fully occupied.</li> </ol> | ✓                          | ✓                            | ✓                        |
| <b>Grey District has an aging demographic which will lead to an increasing proportion of deaths into the future.</b>                                                                                                                                                                                                                                                                                                                                                                                 | <ol style="list-style-type: none"> <li>1. The combined capacity of the remaining operative cemeteries is more than sufficient to meet likely needs.</li> <li>2. There is also the potential for an increasing trend in cremations rather than burials.</li> </ol>                                                                                           | ✓                          |                              |                          |
| <b>There is currently no planned provision for and increase in demand for natural burial cemeteries within the district.</b>                                                                                                                                                                                                                                                                                                                                                                         | <ol style="list-style-type: none"> <li>1. Investigate site options and potential partnerships to provide for natural burial cemeteries to meet current and future demand.</li> </ol>                                                                                                                                                                        | ✓                          |                              |                          |

## Parks, Reserves and Public Spaces

| ISSUE                                                                                                                                                 | OPTIONS                                                                                                                                                                                                                                                          | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>Interest in creating new walking and cycling tracks.</b>                                                                                           | <ol style="list-style-type: none"> <li>1. Council will consult on interest in new facilities in conjunction with the overall review of existing parks and tracks.</li> </ol>                                                                                     | ✓                          |                              |                          |
| <b>The Council fountain is ageing and end of life. It is considered a non-critical asset and cost prohibitive to continue to maintain or replace.</b> | <ol style="list-style-type: none"> <li>1. Consult with the community on Council's preferred option of not continuing to maintain the fountain once it fails, which is imminent, given its deteriorated condition. This is not considered a key issue.</li> </ol> | ✓                          |                              |                          |

| ISSUE                                                                                                                                                                                                                                                                                                                             | OPTIONS                                | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>Budget has been prioritised to bridges on walking tracks which require works due to health and safety, meaning there is less funding for other miscellaneous replacements and renewals for parks and reserves. This may result in some dissatisfaction from the public. It may also lead to a reduced quality of reserves.</b> | 1. Council will monitor the situation. | ✓                          |                              |                          |
| <b>The refurbishment of Dixon Park has been deferred from Years 2-4 to Years 5-7 to manage costs over the Plan. However, deferred maintenance poses risks of further deterioration and increased costs. Dixon Park is highly valued by the community and this may result in some dissatisfaction from the public.</b>             | 1. Council will monitor the situation. | ✓                          |                              |                          |

#### In-House Task Force

| ISSUE                                                                                                                                      | OPTIONS                                         | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|--------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>The demand on this service is increasing, forcing us to prioritise tasks and requests. This may impact on coverage into the future.</b> | 1. Council is closely monitoring the situation. | ✓                          |                              |                          |

## How we'll measure our performance

### Libraries

| What we're measuring        | How we'll measure                                         | Target                          |                    |                                     |                                      |                          |
|-----------------------------|-----------------------------------------------------------|---------------------------------|--------------------|-------------------------------------|--------------------------------------|--------------------------|
|                             |                                                           | Current Performance (2023/2024) | Year 1 (2025/2026) | Years 2 – 3 (2026/2027 – 2027/2028) | Years 4 – 9 (2028/2029 to 2033/2034) | Target Trend (years 1-9) |
| Facility amenity maintained | Annual maintenance programmed scheduled and delivered     | New Measure                     | 100%               | 100%                                | 100%                                 | Maintain                 |
| Community participation     | Annual programme of activities is scheduled and delivered | New Measure                     | 100%               | 100%                                | 100%                                 | Maintain                 |

### Westland Recreation Centre/Swimming Pools

| What we're measuring        | How we'll measure                                         | Target                          |                                    |                                     |                                      |                          |
|-----------------------------|-----------------------------------------------------------|---------------------------------|------------------------------------|-------------------------------------|--------------------------------------|--------------------------|
|                             |                                                           | Current Performance (2023/2024) | Year 1 (2025/2026)                 | Years 2 – 3 (2026/2027 – 2027/2028) | Years 4 – 9 (2028/2029 to 2033/2034) | Target Trend (years 1-9) |
| Quality and safety of pools | Maintain Poolsafe accreditation                           | New Measure                     | Accreditation status is maintained | Accreditation status is maintained  | Accreditation status is maintained   | Maintain                 |
| Facility amenity maintained | Annual maintenance programmed scheduled and delivered     | New Measure                     | 100%                               | 100%                                | 100%                                 | Maintain                 |
| Amenity maintained          | Fitness Centre: Availability of fit-for-purpose equipment | New Measure                     | 95%                                | 95%                                 | 95%                                  | Maintain                 |

### Cemeteries

| What we're measuring | How we'll measure                                                                                                                                      | Target                          |                    |                                     |                                      |                          |
|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|--------------------|-------------------------------------|--------------------------------------|--------------------------|
|                      |                                                                                                                                                        | Current Performance (2023/2024) | Year 1 (2025/2026) | Years 2 – 3 (2026/2027 – 2027/2028) | Years 4 – 9 (2028/2029 to 2033/2034) | Target Trend (years 1-9) |
| Visitor satisfaction | % of visitors are satisfied with cemetery aesthetics<br><i>(Previously asked as % of residents satisfied with the standard of cemetery facilities)</i> | 66%                             | 75%                | 78%                                 | 80%                                  | Improving                |

| What we’re measuring  | How we’ll measure                                                 | Target                          |                    |                                     |                                      |                          |
|-----------------------|-------------------------------------------------------------------|---------------------------------|--------------------|-------------------------------------|--------------------------------------|--------------------------|
|                       |                                                                   | Current Performance (2023/2024) | Year 1 (2025/2026) | Years 2 – 3 (2026/2027 – 2027/2028) | Years 4 – 9 (2028/2029 to 2033/2034) | Target Trend (years 1-9) |
| Customer satisfaction | % of interment applicants are responded to within one working day | New Measure                     | 95%                | 95%                                 | 95%                                  | Maintain                 |
|                       | % of monument permits are issued within one working day           | New Measure                     | 95%                | 95%                                 | 95%                                  | Maintain                 |

Parks, Reserves and Public Spaces

| What we’re measuring  | How we’ll measure                         | Target                          |                    |                                     |                                      |                          |
|-----------------------|-------------------------------------------|---------------------------------|--------------------|-------------------------------------|--------------------------------------|--------------------------|
|                       |                                           | Current Performance (2023/2024) | Year 1 (2025/2026) | Years 2 – 3 (2026/2027 – 2027/2028) | Years 4 – 9 (2028/2029 to 2033/2034) | Target Trend (years 1-9) |
| Resident satisfaction | % of residents are satisfied with service | 75%                             | 80%                | 80%                                 | 80%                                  | Maintain                 |

Events

| What we’re measuring    | How we’ll measure                                          | Target                          |                    |                                     |                                      |                          |
|-------------------------|------------------------------------------------------------|---------------------------------|--------------------|-------------------------------------|--------------------------------------|--------------------------|
|                         |                                                            | Current Performance (2023/2024) | Year 1 (2025/2026) | Years 2 – 3 (2026/2027 – 2027/2028) | Years 4 – 9 (2028/2029 to 2033/2034) | Target Trend (years 1-9) |
| Community participation | Plan and scheduled an annual programme of community events | New Measure                     | 100%               | 100%                                | 100%                                 | Maintain                 |

## Financial information

### Activity funding

These activities are funded by:

#### User fees

- Being community type facilities, there is no opportunity in providing a quality service that is fully funded by users of the facilities. User fees are set at a level that aims to strike a balance between providing equal access to all and recovering a fair amount from the user.

#### General Rates

- Based on the above comments, the majority of funding is provided from general rates. The assets also serve to make our District a more attractive place to live, work and invest.

#### Subsidies and grants

- Are used wherever available, particularly towards development of new facilities.

## Funding impact statement

|                                                                       | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|-----------------------------------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>[A] SOURCES OF OPERATING FUNDING</b>                               |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| General rates, uniform annual general charges, rates penalties        | 4,839                        | 6,363                       | 7,865                       | 8,184                       | 7,776                       | 8,376                       | 8,316                       | 9,867                       | 8,567                       | 9,014                       |
| Targeted rates                                                        | 46                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Subsidies and grants for operating purposes                           | 32                           | 15                          | 16                          | 16                          | 16                          | 17                          | 17                          | 18                          | 18                          | 18                          |
| Fees and charges                                                      | 1,442                        | 1,475                       | 1,517                       | 1,525                       | 1,563                       | 1,600                       | 1,637                       | 1,673                       | 1,708                       | 1,742                       |
| Internal charges and overheads recovered                              | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Local authorities fuel tax, fines, infringement fees & other receipts | 36                           | 45                          | 46                          | 48                          | 49                          | 50                          | 51                          | 52                          | 53                          | 54                          |
| <b>Total sources of operating funding [A]</b>                         | <b>6,395</b>                 | <b>7,898</b>                | <b>9,445</b>                | <b>9,773</b>                | <b>9,404</b>                | <b>10,043</b>               | <b>10,021</b>               | <b>11,610</b>               | <b>10,347</b>               | <b>10,829</b>               |
| <b>[B] APPLICATIONS OF OPERATING FUNDING</b>                          |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Payments to staff and suppliers                                       | 3,668                        | 5,856                       | 6,418                       | 6,627                       | 6,773                       | 6,959                       | 7,092                       | 7,269                       | 7,395                       | 7,567                       |
| Finance costs                                                         | 492                          | 396                         | 598                         | 613                         | 620                         | 627                         | 620                         | 604                         | 582                         | 552                         |
| Internal charges and overheads applied                                | 2,041                        | 1,065                       | 1,113                       | 1,151                       | 1,173                       | 1,208                       | 1,241                       | 1,273                       | 1,300                       | 1,325                       |
| Other operating funding applications                                  | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total applications of operating funding [B]</b>                    | <b>6,201</b>                 | <b>7,317</b>                | <b>8,129</b>                | <b>8,391</b>                | <b>8,566</b>                | <b>8,794</b>                | <b>8,953</b>                | <b>9,147</b>                | <b>9,277</b>                | <b>9,444</b>                |
| <b>Surplus /(deficit) of operating funding [A] - [B]</b>              | <b>194</b>                   | <b>580</b>                  | <b>1,316</b>                | <b>1,381</b>                | <b>838</b>                  | <b>1,249</b>                | <b>1,068</b>                | <b>2,463</b>                | <b>1,070</b>                | <b>1,385</b>                |
| <b>[C] SOURCES OF CAPITAL FUNDING</b>                                 |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Subsidies and grants for capital expenditure                          | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Development and financial contributions                               | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Increase (decrease) in debt                                           | -                            | 4,576                       | (387)                       | (386)                       | (384)                       | (635)                       | (636)                       | (639)                       | (642)                       | (648)                       |
| Gross proceeds from sale of assets                                    | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Lump sum contributions                                                | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Other dedicated capital funding                                       | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total sources of capital funding [C]</b>                           | <b>-</b>                     | <b>4,576</b>                | <b>(387)</b>                | <b>(386)</b>                | <b>(384)</b>                | <b>(635)</b>                | <b>(636)</b>                | <b>(639)</b>                | <b>(642)</b>                | <b>(648)</b>                |
| <b>[D] APPLICATIONS OF CAPITAL FUNDING</b>                            |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Capital expenditure                                                   |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| —to meet additional demand                                            | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| —to improve the level of service                                      | 148                          | 4,991                       | 127                         | 501                         | 80                          | 81                          | 83                          | 85                          | 111                         | 331                         |
| —to replace existing assets                                           | 46                           | 265                         | 877                         | 495                         | 374                         | 533                         | 349                         | 1,739                       | 317                         | 406                         |
| Increase (decrease) in reserves                                       | -                            | (100)                       | (75)                        | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Increase (decrease) of investments                                    | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total applications of capital funding [D]</b>                      | <b>194</b>                   | <b>5,156</b>                | <b>929</b>                  | <b>996</b>                  | <b>453</b>                  | <b>614</b>                  | <b>432</b>                  | <b>1,824</b>                | <b>427</b>                  | <b>737</b>                  |
| <b>Surplus /(deficit) of capital funding [C] - [D]</b>                | <b>(194)</b>                 | <b>(580)</b>                | <b>(1,316)</b>              | <b>(1,381)</b>              | <b>(838)</b>                | <b>(1,249)</b>              | <b>(1,068)</b>              | <b>(2,463)</b>              | <b>(1,070)</b>              | <b>(1,385)</b>              |
| <b>Funding balance [A - B] + [C - D]</b>                              | <b>-</b>                     | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    |



## Profit and loss for group of activities

The previous funding impact statement summarises all the money to be raised (sources of funds) and where it is to be spent (application of funding). It does not take into account any transactions that have no direct funding impact ('non cash' transactions), such as depreciation. Some of these transactions have a material impact on Council's surplus/deficit, most notably depreciation. Depreciation is discussed in more detail in PART C: Council's Financial Strategy. It is therefore important to consider the impact of these transactions for each group of activities. This will also allow you to see how each group of activities contributes to Council's overall financial performance detailed later in this plan

|                                                          | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|----------------------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>REVENUE</b>                                           |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Rates revenue                                            | 5,487                        | 5,907                       | 7,414                       | 7,720                       | 7,298                       | 7,883                       | 7,811                       | 9,352                       | 8,041                       | 8,503                       |
| Subsidies and grants                                     | 32                           | 15                          | 16                          | 16                          | 16                          | 17                          | 17                          | 18                          | 18                          | 18                          |
| Fees and Charges                                         | 1,436                        | 1,475                       | 1,517                       | 1,525                       | 1,563                       | 1,600                       | 1,637                       | 1,673                       | 1,708                       | 1,742                       |
| Other revenue                                            | 56                           | 45                          | 46                          | 48                          | 49                          | 50                          | 51                          | 52                          | 53                          | 54                          |
| Development and financial contributions                  | -                            | 0                           | 0                           | 0                           | 0                           | 0                           | 0                           | 0                           | 0                           | 0                           |
| <b>Total Income</b>                                      | <b>7,012</b>                 | <b>7,442</b>                | <b>8,993</b>                | <b>9,309</b>                | <b>8,926</b>                | <b>9,550</b>                | <b>9,517</b>                | <b>11,094</b>               | <b>9,820</b>                | <b>10,318</b>               |
| <b>EXPENDITURE</b>                                       |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Personnel costs                                          | 1,947                        | 2,418                       | 2,684                       | 2,800                       | 2,872                       | 2,941                       | 3,006                       | 3,069                       | 3,131                       | 3,190                       |
| Depreciation and amortisation expense                    | 1,468                        | 1,853                       | 1,941                       | 2,204                       | 2,242                       | 2,353                       | 2,393                       | 2,418                       | 2,572                       | 2,597                       |
| Finance costs                                            | 199                          | 396                         | 598                         | 613                         | 620                         | 627                         | 620                         | 604                         | 582                         | 552                         |
| Other expenses                                           | 2,686                        | 4,048                       | 4,395                       | 4,514                       | 4,596                       | 4,733                       | 4,823                       | 4,958                       | 5,038                       | 5,191                       |
| <b>Total Expenditure</b>                                 | <b>6,300</b>                 | <b>8,714</b>                | <b>9,619</b>                | <b>10,131</b>               | <b>10,331</b>               | <b>10,654</b>               | <b>10,841</b>               | <b>11,049</b>               | <b>11,322</b>               | <b>11,530</b>               |
| <b>Surplus /(deficit) of operating funding [A] - [B]</b> | <b>711</b>                   | <b>(1,272)</b>              | <b>(625)</b>                | <b>(822)</b>                | <b>(1,405)</b>              | <b>(1,104)</b>              | <b>(1,325)</b>              | <b>45</b>                   | <b>(1,502)</b>              | <b>(1,212)</b>              |

## Significant expenditure

Please refer to the Infrastructure Strategy for details.

## How we manage our assets that support this activity

Council has an extensive level of information about assets (including buildings) in the Activity Management Plans (AMPs). The AMPs also contain detailed service level information such as capacity, response to complaints and criteria for maintenance, renewals and upgrades.

Assets that are critical to the system are monitored proactively and decisions made about maintenance, upgrades and renewals as needed. We also respond to information from customers and contractors, as well as resident surveys and enquiries.

## Proposed changes to levels of service

In this LTP period, levels of service will increase/decrease in the following areas:

- New Library building in Year 1.

- Closure of Nelson Creek Cemetery and Stillwater Cemetery as they will reach full capacity (other than pre-paid plots and armed forces plots where applicable) during the life of this Plan and will be closed.
- Decommissioning of the Council fountain – it is proposed that Council no longer maintain this non-critical asset.

#### Additional capacity

- Expansion of Gladstone Memorial Park Cemetery (approximately Year 3 and Year 9).

### Key assumptions about the useful life of assets and the sources of funding for replacement

Assumptions regarding the life of assets include:

- Assets will perform to the required standard per the AMPs for the duration of its useful lives. Where assets remain in service beyond their useful life, their condition will be regularly assessed to ensure they remain safe to use.

Assumptions regarding sources of funding for replacement of assets are:

- Asset renewals will primarily be funded from loans funded over the expected life of the asset.
- Other sources of funding include:
  - Rates
  - Special Reserve funds
  - User charges
  - Grants

### Significant potential negative effects of this activity

#### Libraries, swimming pools, heritage, indoor sport centres, Council's In-house task force and public restrooms

Nil

#### Parks and Tracks

- Potential of littering and illegal dumping of waste by users.
- Ongoing direct or indirect general rate input is required which could be used for other needs
- Potential to become a target location for undesirable social acts, threatening or criminal behaviour, vandalism, property damage and fire.

#### Cemeteries

- Discharge of contaminants to land and/or water.
- Health and safety risks to employees/operators/contractors and users (exposure and/or handling of hazardous materials, high pressure, trench collapse).
- Public land/property/space not available for other uses.

#### Public Restrooms

- Potential to become a target location for undesirable social acts, threatening or criminal behaviour, vandalism, property damage and fire.

# Governance & Strategy

## Activities included in this group

Democracy and administration includes:

- Elected members
- Council's Administration

## Why we are involved in this activity/these activities

A healthy community requires its elected Council to show strong leadership and, at the same time, to conduct its business in an open, transparent manner.

A vital component of democracy and administration is a Council Administration that executes Council's policies in a professional, objective and fair manner and, in doing so, respects the needs and circumstances of individual residents.

## Contribution to Council's Vision and Outcomes

| Outcome                   | Contribution                                                                                             |
|---------------------------|----------------------------------------------------------------------------------------------------------|
| <b>Economic Wellbeing</b> |                                                                                                          |
| Strong                    | Effective, diverse and strategic leadership contributes to a strong, sustainable and prosperous economy. |
| Diverse                   |                                                                                                          |
| Sustainable               | Efficient and strategic administration enables a strong economy.                                         |
| Prosperous                |                                                                                                          |
| <b>Social Wellbeing</b>   |                                                                                                          |
| Safe                      | Effective, diverse and strategic leadership a connected, supportive, and engaged community and Council.  |
| Inclusive                 | A community that is valued, united and strong.                                                           |
| Connected                 |                                                                                                          |
| Enabled                   |                                                                                                          |
| <b>Cultural Wellbeing</b> |                                                                                                          |
| Proud                     | Leadership and governance respects and recognises Te ao Māori in informed decision-making.               |
| Unique                    |                                                                                                          |

|                                             |                                                                                                                                                                                                                                                                  |
|---------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Inter-connected<br>Vibrant                  | A connection with its diverse, unique, and colourful history.<br>A positive image within and outside of the region.                                                                                                                                              |
| <b>Environmental Wellbeing</b>              |                                                                                                                                                                                                                                                                  |
| Bold<br>Practical<br>Resilient<br>Strategic | Effective and strategic governance leadership provides for decisions that lead to environmental resilience.<br>A sensible and considered approach to the issue of climate change and its effects.<br>A commitment to our future generations and their wellbeing. |

|                        | ECONOMIC | SOCIAL | CULTURAL | ENVIRON-<br>MENTAL |
|------------------------|----------|--------|----------|--------------------|
| <b>Activity Group</b>  |          |        |          |                    |
| Elected members        | ✓        | ✓      | ✓        | ✓                  |
| Council administration | ✓        | ✓      | ✓        | ✓                  |

## What we'll provide

We will:

- Serve our community with integrity, dedication and commitment, at all times seeking to achieve the very best for our District and its people.
- Be an advocate for our community.
- Take strong leadership in addressing issues facing the District.
- Ensure that our Administration is professional and competent and acts in support of Council's vision.
- Seek the community's engagement in all matters that are important to them or dear to them and to consider inputs carefully and constructively.
- Work with other authorities, agencies and stakeholders, both locally and regionally, in order to gain efficiencies and to get the best outcomes for our community.

## Issues and options facing the activity

| ISSUE                                                                                                                                                                                                                                      | OPTIONS                                                                                                                                                                                                                                                                                        | SHORT TERM<br>(YEARS 1-10) | MEDIUM TERM<br>(YEARS 11-30) | LONG TERM<br>(YEARS 30+) |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------|
| <b>With the ever changing legislative environment, the workload on Council remains high.</b><br>Examples include the local government reform, three waters reform (including Local Water Done Well) and resource management reforms.       | 1. Council will actively monitor the situation.                                                                                                                                                                                                                                                | ✓                          |                              |                          |
| <b>The ability to recruit staff in key specialist positions will remain an issue and the smaller size of the Administration will continue to demand a higher input from individual staff members, which may impact on staff retention.</b> | 1. Council will actively monitor the situation.                                                                                                                                                                                                                                                | ✓                          |                              |                          |
| <b>The impact of compliance with Council's Earthquake Compliance Policy on buildings leased or occupied by Council.</b>                                                                                                                    | 1. Upgrade Council buildings to achieve compliance with Council's Earthquake Prone Buildings Policy.<br>2. Consult with the community on divesting earthquake prone buildings owned by Council which are not required for Council business.<br>3. Council will actively monitor the situation. | ✓                          |                              |                          |
| <b>The unavailability of a freeholding option in relation to Mawhera Incorporation land occupied by Council and the resultant inability to predict rent increases.</b>                                                                     | 1. Council will actively monitor the situation.<br>2. Council will maintain a close relationship with Mawhera and incorporate upcoming rent increases into budgets where possible.                                                                                                             | ✓                          | ✓                            | ✓                        |
| <b>Potential impact on business interruption and continuity of service if staff are required to assist in a Civil Defence Emergency Management (CDEM) response or the District is otherwise impact by an emergency event.</b>              | 1. Council is unable to predict emergency events but can put in place best efforts regarding plans and preparations should such an event occur, including business continuity plans and building emergency reserve funds.                                                                      | ✓                          | ✓                            | ✓                        |
| <b>Cost increases imposed on Council, e.g. increases in insurance premiums due to national weather events.</b>                                                                                                                             | 1. Council will actively monitor the situation.<br>2. Council will continue to practice prudent financial management.                                                                                                                                                                          | ✓                          | ✓                            | ✓                        |
| <b>Increased number of local government official information requests (LGOIMA) received, putting pressure on an already stretched administration to respond to such requests within the statutory timeframes.</b>                          | 1. Council will actively monitor the situation.                                                                                                                                                                                                                                                | ✓                          |                              |                          |
| <b>It has been discussed for several years now the requirement to undertake a rating review but there have always been other priorities which Council has needed to focus on.</b>                                                          | 1. While it is not scheduled to undertake a rating review in the first three years of this LTP, Council is signalling it intends to commence a rating review around the middle of this plan (likely around years 3-4).                                                                         | ✓                          |                              |                          |

## How we'll measure our performance

| What we're measuring  | How we'll measure                                                                        | Target                          |                    |                                     |                                      |                          |
|-----------------------|------------------------------------------------------------------------------------------|---------------------------------|--------------------|-------------------------------------|--------------------------------------|--------------------------|
|                       |                                                                                          | Current Performance (2023/2024) | Year 1 (2025/2026) | Years 2 – 3 (2026/2027 – 2027/2028) | Years 4 – 9 (2028/2029 to 2033/2034) | Target Trend (years 1-9) |
| Customer satisfaction | % of residents are satisfied with the service they have received when contacting Council | 61%                             | 82%                | 82%                                 | 82%                                  | Maintain                 |
|                       | % of enquiries that are acknowledged within two working days                             | New Measure                     | 90%                | 95%                                 | 100%                                 | Improving                |

## Financial information

### Activity funding

These activities are mainly funded by:

#### User fees

- Other occupiers of Council property to meet fair market rentals.

#### General Rates

- The cost of providing the democratic process (Councillor remuneration, meetings etc) is a shared a cost against all ratepayers.

#### Internal overheads recovered

- The cost of Council's administration is recovered as a cost against the external services Council provides.

## Funding impact statement

|                                                                       | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|-----------------------------------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>[A] SOURCES OF OPERATING FUNDING</b>                               |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| General rates, uniform annual general charges, rates penalties        | 2,061                        | 3,249                       | 3,285                       | 3,383                       | 3,251                       | 3,812                       | 4,552                       | 3,564                       | 3,544                       | 3,644                       |
| Targeted rates                                                        | 270                          | 337                         | 364                         | 373                         | 381                         | 390                         | 397                         | 405                         | 412                         | 419                         |
| Subsidies and grants for operating purposes                           | -                            | 180                         | 185                         | 191                         | 195                         | 200                         | 205                         | 209                         | 214                         | 218                         |
| Fees and charges                                                      | 9                            | 47                          | 48                          | 49                          | 51                          | 52                          | 53                          | 54                          | 55                          | 57                          |
| Internal charges and overheads recovered                              | 5,967                        | 7,676                       | 8,019                       | 8,316                       | 8,615                       | 8,899                       | 9,164                       | 9,427                       | 9,620                       | 9,808                       |
| Local authorities fuel tax, fines, infringement fees & other receipts | 289                          | 542                         | 558                         | 574                         | 588                         | 602                         | 616                         | 630                         | 644                         | 657                         |
| <b>Total sources of operating funding [A]</b>                         | <b>8,596</b>                 | <b>12,031</b>               | <b>12,460</b>               | <b>12,886</b>               | <b>13,080</b>               | <b>13,955</b>               | <b>14,987</b>               | <b>14,289</b>               | <b>14,489</b>               | <b>14,804</b>               |
| <b>[B] APPLICATIONS OF OPERATING FUNDING</b>                          |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Payments to staff and suppliers                                       | 6,407                        | 8,718                       | 9,198                       | 9,712                       | 9,995                       | 10,215                      | 10,690                      | 10,799                      | 11,110                      | 11,429                      |
| Finance costs                                                         | (13)                         | 28                          | 52                          | 51                          | 49                          | 46                          | 42                          | 37                          | 31                          | 25                          |
| Internal charges and overheads applied                                | 2,386                        | 2,739                       | 2,545                       | 2,597                       | 2,618                       | 2,701                       | 2,764                       | 2,825                       | 2,886                       | 2,945                       |
| Other operating funding applications                                  | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total applications of operating funding [B]</b>                    | <b>8,780</b>                 | <b>11,486</b>               | <b>11,795</b>               | <b>12,359</b>               | <b>12,662</b>               | <b>12,963</b>               | <b>13,496</b>               | <b>13,661</b>               | <b>14,027</b>               | <b>14,399</b>               |
| <b>Surplus /(deficit) of operating funding [A] - [B]</b>              | <b>(184)</b>                 | <b>545</b>                  | <b>665</b>                  | <b>527</b>                  | <b>419</b>                  | <b>992</b>                  | <b>1,491</b>                | <b>628</b>                  | <b>462</b>                  | <b>405</b>                  |
| <b>[C] SOURCES OF CAPITAL FUNDING</b>                                 |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Subsidies and grants for capital expenditure                          | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Development and financial contributions                               | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Increase (decrease) in debt                                           | -                            | (94)                        | (94)                        | (95)                        | (96)                        | (118)                       | (120)                       | (122)                       | (124)                       | (127)                       |
| Gross proceeds from sale of assets                                    | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Lump sum contributions                                                | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Other dedicated capital funding                                       | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total sources of capital funding [C]</b>                           | <b>-</b>                     | <b>(94)</b>                 | <b>(94)</b>                 | <b>(95)</b>                 | <b>(96)</b>                 | <b>(118)</b>                | <b>(120)</b>                | <b>(122)</b>                | <b>(124)</b>                | <b>(127)</b>                |
| <b>[D] APPLICATIONS OF CAPITAL FUNDING</b>                            |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Capital expenditure                                                   |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| —to meet additional demand                                            | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| —to improve the level of service                                      | -                            | 290                         | 261                         | 83                          | 74                          | 620                         | 1,112                       | 67                          | 69                          | 70                          |
| —to replace existing assets                                           | 510                          | 202                         | 311                         | 319                         | 219                         | 224                         | 229                         | 408                         | 239                         | 178                         |
| Increase (decrease) in reserves                                       | (694)                        | (40)                        | -                           | 30                          | 30                          | 30                          | 30                          | 30                          | 30                          | 30                          |
| Increase (decrease) of investments                                    | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total applications of capital funding [D]</b>                      | <b>(184)</b>                 | <b>452</b>                  | <b>571</b>                  | <b>432</b>                  | <b>322</b>                  | <b>874</b>                  | <b>1,371</b>                | <b>506</b>                  | <b>338</b>                  | <b>278</b>                  |
| <b>Surplus /(deficit) of capital funding [C] - [D]</b>                | <b>184</b>                   | <b>(545)</b>                | <b>(665)</b>                | <b>(527)</b>                | <b>(419)</b>                | <b>(992)</b>                | <b>(1,491)</b>              | <b>(628)</b>                | <b>(462)</b>                | <b>(405)</b>                |
| <b>Funding balance [A - B] + [C - D]</b>                              | <b>-</b>                     | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    |

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|----------------------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>REVENUE</b>                                           |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Rates revenue                                            | 3,278                        | 3,466                       | 3,527                       | 3,621                       | 3,496                       | 4,065                       | 4,815                       | 3,836                       | 3,826                       | 3,944                       |
| Subsidies and grants                                     | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Fees and Charges                                         | 14                           | 47                          | 48                          | 49                          | 51                          | 52                          | 53                          | 54                          | 55                          | 57                          |
| Other revenue                                            | 3                            | 294                         | 303                         | 311                         | 319                         | 327                         | 334                         | 342                         | 349                         | 356                         |
| Development and financial contributions                  | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Finance revenue                                          | 280                          | 248                         | 255                         | 263                         | 269                         | 276                         | 282                         | 288                         | 294                         | 301                         |
| <b>Total Income</b>                                      | <b>3,576</b>                 | <b>4,055</b>                | <b>4,133</b>                | <b>4,244</b>                | <b>4,135</b>                | <b>4,719</b>                | <b>5,484</b>                | <b>4,520</b>                | <b>4,525</b>                | <b>4,657</b>                |
| <b>EXPENDITURE</b>                                       |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Personnel costs                                          | 3,367                        | 5,448                       | 5,951                       | 6,222                       | 6,538                       | 6,756                       | 6,967                       | 7,176                       | 7,320                       | 7,459                       |
| Depreciation and amortisation expense                    | 176                          | 257                         | 326                         | 392                         | 437                         | 482                         | 635                         | 789                         | 834                         | 858                         |
| Finance costs                                            | 40                           | 30                          | 31                          | 32                          | 33                          | 35                          | 36                          | 37                          | 37                          | 37                          |
| Other expenses                                           | 382                          | (1,929)                     | (2,475)                     | (2,496)                     | (2,814)                     | (3,020)                     | (2,964)                     | (3,273)                     | (3,245)                     | (3,191)                     |
| <b>Total Expenditure</b>                                 | <b>3,966</b>                 | <b>3,806</b>                | <b>3,833</b>                | <b>4,150</b>                | <b>4,195</b>                | <b>4,252</b>                | <b>4,673</b>                | <b>4,729</b>                | <b>4,947</b>                | <b>5,163</b>                |
| <b>Surplus /(deficit) of operating funding [A] - [B]</b> | <b>(390)</b>                 | <b>249</b>                  | <b>300</b>                  | <b>94</b>                   | <b>(60)</b>                 | <b>467</b>                  | <b>811</b>                  | <b>(208)</b>                | <b>(422)</b>                | <b>(506)</b>                |

## Significant expenditure

Please refer to the Infrastructure Strategy for details.



## How we manage our assets that support this activity

This group of activities has very little assets of significance. The few assets involved are monitored proactively and decisions made about maintenance, upgrades and renewals as needed.

### Proposed change to levels of service

None signalled in this Plan.

### Additional capacity

None specifically provided for in the Plan, beyond providing for future growth when replacing assets.

## Key assumptions about the useful life of assets and the sources of funding for replacement

Nil

## Significant potential negative effects of this activity (significant)

Nil

## Key assumptions we have made about this activity/these activities

- The demands on Council's Administration will not increase to such an extent that further positions will have to be created.
- Local interest in being involved in local government will continue to be high and will provide sufficient, quality candidates for election.
- Council will continue to operate as an autonomous local authority on the same basis as it does now.
- Relationships with service providers of non-Council services identified in this plan as well as other authorities including the Crown and neighbouring local authorities will remain constructive and positive.

# PART F: Council Finances

# Introduction

## Statement of responsibility

The forecast financial statements are prepared on assumptions and the best available information as to future events which the Council expects to take place as of March 2025. The Council is responsible for the prospective financial statements presented, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures.

## Authorisation for issue

This document was authorised for issue by Council on, and is dated, 30 June 2025.

## Purpose for which this plan is prepared

This Grey District Council 2025-2034 Long Term Plan is prepared in accordance with the Local Government Act 2002, which requires a Council, at all times, to have a Long Term Plan. The purpose of this legislation is to provide for democratic and effective local Government that recognises the diversity of New Zealand communities and promotes the accountability of local authorities to their communities. The Council's Long Term Plan covers the period 1 July 2025 to 30 June 2034. It incorporates operating and capital expenditure for the period for the Council.

Year One of the plan represents Council's 2025/2026 Annual Plan, covering the period 1 July 2025 to 30 June 2026.

In this section financial information is provided at a summary level but more detailed information for each Activity and Group of Activities is included throughout the document.

## Comparative information

The 2024/2025 comparative information is based on the 2024/2025 Annual Plan.

## Cautionary note

The forecast financial statements are prospective financial information. Actual results are likely to vary from the information presented and the variations may be material. This prospective information should not be read other than for the purposes other than intended.

## Significant forecasting assumptions

In order to help the Council in its long-term decision-making, a number of assumptions have been made about the future. While we cannot know what will happen over the next ten years, it is important to forecast what is most likely to happen based on current knowledge. These forecasts enable the Council to ensure its financial forecasts are as accurate as possible and the services it plans to deliver are relevant. The following section then assesses the risk of the assumptions being incorrect and potential impact on the draft Plan.

There will always be risks and a level of uncertainty that the assumptions prove to be significantly incorrect. To prevent this from happening so far as possible, the Council looks to use authoritative sources in developing its assumptions. These assumptions are reviewed at least every three years as part of the Long Term Plan development.

### Price level adjustment

Price level adjustments for inflation have been allowed for all nine years of the draft Plan.

Price level adjustments have been derived from those recommended to Local Government by Business and Economic Research Limited (BERL) and modified by known local data. The following are the annual price adjustments allowed for:

|           | 2025/2026<br>LTP Year 1 | 2026/2027<br>LTP Year 2 | 2027/2028<br>LTP Year 3 | 2028/2029<br>LTP Year 4 | 2029/2030<br>LTP Year 5 | 2030/2031<br>LTP Year 6 | 2031/2032<br>LTP Year 7 | 2032/2033<br>LTP Year 8 | 2033/2034<br>LTP Year 9 |
|-----------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Roading   | 0.00                    | 1.80                    | 2.70                    | 2.50                    | 2.40                    | 2.30                    | 2.20                    | 2.10                    | 2.00                    |
| Planning  | 0.00                    | 2.70                    | 2.50                    | 2.20                    | 2.10                    | 2.10                    | 2.00                    | 2.00                    | 1.90                    |
| Water     | 0.00                    | 2.80                    | 2.50                    | 2.10                    | 2.00                    | 2.00                    | 2.00                    | 2.00                    | 2.00                    |
| Community | 0.00                    | 2.90                    | 2.70                    | 2.50                    | 2.40                    | 2.30                    | 2.20                    | 2.10                    | 2.00                    |
| Employee  | 0.00                    | 3.20                    | 2.80                    | 2.60                    | 2.40                    | 2.20                    | 2.10                    | 2.00                    | 1.90                    |
| Other     | 0.00                    | 3.00                    | 2.80                    | 2.50                    | 2.40                    | 2.30                    | 2.20                    | 2.20                    | 2.10                    |

Inflation assumption per the above have been included on a line-by-line basis in operating budgets.

### Growth forecasting

Growth has been allowed for at a rate determined by Council to be the most appropriate using information from Infometrics medium level population projections combined with our knowledge of current and planned development in the District. On this basis the Draft Plan assumes that the District's population will remain steady: current population of 14,200 people as of 2022. Therefore, a flat growth rate has been assumed. Council is mindful that the West Coast also has a higher population of people aged 65 and over than the national average.

Within the Draft Plan, growth has been based on known planning constraints or if there are no known constraints then growth is assumed to be 'straight-line' between years. These assumptions have been applied when projecting expenditure and revenue over the nine-year period. The projections for different infrastructure services, such as water and sewer, will vary from the above population figures, because the areas served by each scheme do not necessarily involve the whole District and the probable rate of growth will differ from scheme to scheme. Across the whole District, growth forecasts are projected off the latest available dwelling information within the Draft Plan.

## Borrowing

### Interest rates

Interest rates on borrowings are calculated on the following across the nine years of this Draft Plan:

|                | 2025/2026<br>LTP Year 1 | 2026/2027<br>LTP Year 2 | 2027/2028<br>LTP Year 3 | 2028/2029<br>LTP Year 4 | 2029/2030<br>LTP Year 5 | 2030/2031<br>LTP Year 6 | 2031/2032<br>LTP Year 7 | 2032/2033<br>LTP Year 8 | 2033/2034<br>LTP Year 9 |
|----------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Interest rates | 4.13%                   | 4.22%                   | 4.45%                   | 4.63%                   | 4.82%                   | 5.01%                   | 5.15%                   | 5.24%                   | 5.28%                   |

### Terms

The periods over which loans are repaid have been matched to the expected period of benefit that the financed asset will deliver (generally set to a maximum of 30 years) and revenue levels have been set at sufficient levels to meet repayment terms. All debt (including Local Government Funding Agency (LGFA) and Westpac) is renewable.

## Investments

Interest rates on investments are calculated at 3.0% p.a. across all years. This is based on the average return for investments placed in the market at the time of preparing this Draft Plan.

## Governance structure

It is assumed that the governance structure will remain in the state as anticipated by this plan over the duration of this Draft Plan.

## Grants and subsidies

Council is assuming that grants and subsidies from Central Government will continue at their present level. Most significant of these are:

- New Zealand Transport Agency (NZTA) – The NZTA Funding Assistance Rates (FAR) is 64%. It is not expected to change over this plan.

## Local Government responsibilities

For the purposes of this Draft Plan, it is assumed that there will be no significant change to the local government environment and the functions we are mandated to carry out. This includes:

- It is assumed that there will be no devolutions of responsibilities from Central Government to Local Government, particularly not without equivalent increase in funding.
- It is assumed that there will be no restrictions on Council undertaking any of the services outlined in this Plan

## Assumptions as to activities undertaken and levels of service provided

Council is assuming that the range of activities that it has signalled to undertake will not change.

Council is assuming that the levels of service to which its activities are provided will not change, except as a consequence of planned expenditure programmes mentioned in this Draft Plan. The reality is that any change to service level and/or activities undertaken may place the cost of existing funding requirements onto different sectors of the community and/or different communities in the District.

## Activity Management Plans (AMPs)

Council is assuming that AMPs provide accurate assessments of the condition of assets and of the maintenance, renewal and capital expenditures required to achieve stated levels of service. The AMPs will be subject to continual update and review. Any changes will be incorporated into relative planning documents.

## Fixed assets

### Useful life

Council uses a geographical information system with specifically developed assets management software developed and supported by AssetFinda Ltd to collate asset information on the location, age, condition and material of assets. Other important information such as additions, disposals and costs of assets are also collated in this system. The system also is able to provide valuation information and predictive analysis.

The Council has made a number of assumptions about the useful lives of its assets by assessing condition using the age, material and local knowledge. The detail for each asset category is reflected in the statement of accounting policies. We have also incorporated factual data obtained from the detailed condition assessments which have been carried out.

The useful lives are consistent with the assumptions applied to valuing each asset category and were determined by experienced and qualified asset valuers. Renewals and maintenance have currently been determined by assessing condition using the age, material and local knowledge. This practice will continue, incorporating accurate data obtained from the condition assessments which have been carried out the last three years and will provide necessary information to enable renewals to occur on a prioritisation and criticality basis.

### Sources of funds for replacement

The funding of the replacement of future assets is based on the following assumptions:

- The funding for the replacement of any individual asset will be funded from the following sources in the following order of priority:
  - Specific reserves set aside for the purpose of replacing the asset(s).
  - From the current year's operating surplus, including any cash arising from the funding of depreciation.
  - Loan funding the balance of the expenditure, with a loan being the shorter of either a 20-year loan term or the life of the asset.
- Depreciation is calculated based on the expected life of assets.

### Revaluation of fixed assets

Council revalues some classes of assets as outlined in the statement of accounting policies. The basis used for projecting future revaluation movements is the compounded relevant price adjustment index as outlined above.

## Contract rates

It is assumed that the re-tendering of major contracts will not result in cost increases other than those comparable to the rate of inflation included (as outlined above).

However, depending on the nature of the contract, Council may consider moving away from lump sum contracts to unit rates. This may affect the overall costs as while there will be known costs for each asset, there is potential for increased variances in costs.

Overall Council is still assuming we will be able to continue to deliver the current levels of service within current budgets.

## Resource consents

Council is assuming that the resource consents that it needs for delivery of the services outlined in this Plan will be obtained and granted with conditions that can be met within anticipated expenditure estimates.

## Vesting assets

Based on historical information, it has been assumed there will be no vesting of assets in Council during the life of this Draft Plan. Please note the following with regards to vesting of assets:

- Usually beyond Council's control and their number and value are very difficult to predict;
- Being brand new, unlikely to impose any significant extra costs from those generated from current AMPs over the life of this Draft Plan; and

## Effects of climate change

The West Coast region is highly susceptible to the impacts of climate change and natural hazards, which have become increasingly evident through the rising frequency and intensity of extreme weather events, particularly heavy rainfalls. Grey District Council's assets and communities face substantial risks from flooding, coastal erosion, landslides, earthquakes, and other natural hazards. These threats endanger critical infrastructure and lifelines, with some key assets, such as the aerodrome, especially vulnerable to damage and operational failure during flooding events.

Flooding remains one of the most pressing concerns, exacerbated by sea-level rise and intensified storm events. The potential for significant infrastructure damage, disruption to essential services, and threats to community safety makes addressing these risks a top priority for Council. Coastal erosion also poses a serious and growing threat to built-up areas and Council-owned infrastructure along the coastline. In response, Council recognises the ongoing need to monitor vulnerable areas and consider long-term solutions. In some instances, managed retreat from low-lying, sea-level-adjacent districts may emerge as the most sustainable course of action. This comprehensive approach will be supported through operational management plans, regular monitoring, hydraulic modelling, and adherence to resource consent conditions.

Specific areas of concern include the Karoro area scheme, where treated effluent is discharged to the sea after passing through a wetland system. Coastal erosion could threaten the integrity of this system in the future. Similarly, the communities of Rapahoe and the southern end of lower Cobden face current and escalating coastal erosion risks that require careful consideration and proactive planning.

Council is committed to proactively working to minimise the effects of climate change.

## Emissions trading scheme

This Draft Plan has been prepared based on the broad scientific community view that human induced climate change through increased greenhouse gas emissions is occurring and may accelerate in the future. National and international efforts are underway to control emissions in response to agreements that the Government is a signatory to.

With the Emissions Trading Scheme legislation in place Council has included the costs that are necessary to be met as an emitter. Council is not planning on undertaking any additional activities that cost under the Emissions Trading Scheme.

Many of the climate change induced changes are likely to eventuate over the longer term and will occur beyond the ten-year horizon upon which the activities and their service levels are described in this Draft Plan. They are, however, factors to be taken into account in maintaining the long term (i.e. up to 50 year) AMPs upon which programmes are funded through this Draft Plan.

## Natural disasters/resilience

It is assumed that there is a likelihood of one or more significant events occurring during the life of this plan. Council has various resilience factors and financial resources in place to call upon if an event were to occur, including:

- Financial Assistance from NZTA (funding provided for events with a greater than 1:20 year return period;
- Disaster Recovery Fund; and
- Insurance.

The budgets in the Draft Plan include a provision for the implications of a natural disaster alongside the Emergency Roading Budget with the inclusion of additional funds to the Councils disaster reserve.

## Local Water Done Well

Local Water Done Well is the Coalition Government's plan to address New Zealand's long-standing water infrastructure challenges. It follows the previous Labour-led Government's Three Waters Reform, commenced in 2021, which proposed to shift control of stormwater, drinking water, and wastewater management from the 67 territorial local authorities to ten new publicly owned regional entities.

In early 2024 the newly formed Coalition Government repealed the Three Waters legislative framework, in favour of a new regime that favours local council control and ownership of water assets and infrastructure. The Local Government (Water Services Preliminary Arrangements) Act 2024 established the Local Water Done Well framework, it lays the foundation for a new approach to water services management and financially sustainable delivery models that meet regulatory. It has been assumed that regardless of the delivery vehicle for three waters, the work contained within this plan is still required. This plan has been prepared on that basis.

## Capex Delivery

Grey District Council has consistently faced challenges in retaining staff, which has hindered its ability to build and maintain sufficient in-house capability and capacity. These retention difficulties have placed significant strain on the organisation, particularly in managing the increasing demand for infrastructure renewals and essential maintenance activities.

As operational issues and asset failures become more frequent, the Council's capacity to deliver its capital works programme diminishes. This issue is particularly acute within the Utilities & Infrastructure Group, which is responsible for a broad portfolio of services including the management of Three Waters (drinking water, wastewater, and stormwater), Parks and Reserves, Refuse and Recycling, Cemeteries, Public Toilets and other minor Council portfolios. The scope and scale of these responsibilities stretch existing resources, making it challenging to address the large volume of renewals and maintenance required.

Recognising the organisation-wide challenges posed by reduced staffing capacity and limited internal expertise, Grey District Council has taken steps to address these issues through the 2025–2034 Long-Term Plan (LTP). The LTP includes targeted funding allocations to strengthen resourcing across the organisation. By increasing both internal capacity and capability, Council aims to ensure that essential infrastructure projects, particularly those within the Three Waters programme, are delivered on schedule while maintaining the quality and reliability of core services.

## Demographic Changes

When preparing the plan Council considered the aging population of the district, and what that means for the District over the next 9 years. Based on current trajectory the median age will be approximately 55 years old. The Grey District also has a relatively high deprivation score which also correlates to rates affordability. Consideration will include infrastructure and facilities and the ability for those entering retirement on fixed incomes to absorb rate increases.



## Tourism and Growth

For the year to March 2023, the tourism sector contributed \$26.2m towards GDP in the Grey District. This amounted to 2.3% of Grey District's economic output in 2023 as compared to 0.8% in 2000 (Figure 4). Tourism has long been a significant contributor to the economy of the Grey District. The draft plan has considered the current slow growth in tourism and it was considered that the impact on our infrastructure will be relatively minor.

## Risk assessment on key assumptions

| FORECASTING ASSUMPTION                     | LEVEL OF UNCERTAINTY                                                                                       | RISK ASSESSMENT (LOW/MED/HIGH) | REASONING FOR ASSESSMENT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------------------------|------------------------------------------------------------------------------------------------------------|--------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Price adjustments</b>                   | It is likely that the price increase assumptions that Council has adopted will, in reality, be different.  | MED                            | <p>The risk that year 1 assumptions turn out to be materially different is low; it is more likely that future years will be different. Subsequent annual budgets will be a thorough process including updating all assumptions as part of each Annual Plan process.</p> <p>The Draft Plan has been prepared based on price level adjustments as determined by Council, using figures provided by BERL, an economic forecasting agency. All financial estimates, unless explicitly stated, are stated in price adjusted terms. There are few realistic mitigation measures that the Council can take to address the effects of inflation. As it reviews its Long Term Plan, the Council will consider the effects of price level changes and alter its future year projections accordingly. In the future, it is possible the Council may need to consider reviewing the level of service provided should the effect of price level adjustments exceed the ability of the community to afford the services provided.</p>                                                                                                               |
| <b>Projected growth</b>                    | It is likely that the population change assumptions that Council has adopted will in reality be different. | LOW                            | <p>The Draft Plan has assumed a medium level of growth, which is the best information we have available, supplemented by knowledge of particular District developments. Capital expenditure and revenue forecasts have been based on these assumptions. Most significant capital works include a growth component that will cater for changes in demand. Many of the engineering solutions cater for growth up to 50 years out; however, if growth is faster than forecast it may mean at some stage in the future upgrades may need to occur sooner than anticipated. This not considered a high risk.</p> <p>Of greater sensitivity is the impact on revenue forecasts. The Council has made assumptions about the number of ratepayers that are in the district to share the rating burden. If development occurs at different rates, then these projections will need to be amended. The Council will review growth rates whenever updated information is available and prior to every Annual Plan and Long-Term Plan.</p> <p>If there are significant changes in the trends, then the forecasts will be amended accordingly.</p> |
| <b>Interest rates payable</b>              | Will be higher/lower than forecast.                                                                        | MED                            | <p>This carries a moderate risk given the rate input that is required on most of the debt servicing. Council's Liability Management Policy sets the parameters for the debt portfolio.</p> <p>The majority of debt is required to be on fixed rates as well as maturity dates staggered. This allows Council to plan more conservatively and make necessary budget changes from time to time.</p> <p>Council has been conservative with interest rates payable at what it feels to be the most likely long term average, which will allow it to 'ride out' the shorter term peaks and troughs.</p> <p>Any significant increase in the rates beyond forecast will require Council to look at options of deferring projects and/or reducing other areas of expenditure.</p>                                                                                                                                                                                                                                                                                                                                                             |
| <b>Refinancing terms</b>                   | That borrowing facilities may not be available at the terms that Council has forecast.                     | LOW                            | Council is of the opinion that projected debt levels are moderate and, with the security Council can offer, that suitable financing facilities will be available.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Interest rate return on investments</b> | Will be higher/lower than forecast.                                                                        | LOW                            | Council does not directly rely on investment returns to deliver its services. A reduction in returns will have the greatest effect on special funds set aside for specific purposes.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

| FORECASTING ASSUMPTION                   | LEVEL OF UNCERTAINTY                                                                                                    | RISK ASSESSMENT (LOW/MED/HIGH) | REASONING FOR ASSESSMENT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|--------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Grants and subsidies</b>              | That funding from NZTA may not remain the same across the Draft Plan.                                                   | LOW                            | NZTA financial assistance for roading maintenance, renewal and new capital works represent a significant portion of the activity revenue. If a change in subsidy was to occur, this would be mitigated by either a change in work priority or a change in level of service.<br>The NZTA subsidy has been confirmed at 64%.                                                                                                                                                                                                                                                                                                                                        |
| <b>Governance structure</b>              | Unlikely to occur.                                                                                                      | LOW                            | Any potential changes would involve an extensive consultation process - that gives Council, along with others, necessary time to adapt.<br>It is assumed any changes would only be motivated if the community benefited.                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Local Government Responsibilities</b> | New or additional legislation is introduced that further alters the nature and scope of one or more Council activities. | MED                            | Council will monitor the wider legislative and policy landscape and consider the impacts of proposals on Council activities. Council may submit or advocate on specific proposals (including regionally) to minimise or improve impacts on Council operations. Where new requirements are confirmed, Council may need to reprioritise its strategic priorities.<br>It is assumed any potential additional responsibilities being passed on to local authorities will include appropriate funding mechanisms outside of rates.                                                                                                                                     |
| <b>Assumptions as to activities</b>      | Increased or improved service levels require additional cost and/or resources to provide them.                          | MED                            | The Council regularly monitors existing service provision within its operations and reviews and sets levels of service through activity management planning and corporate planning processes. Service levels may change due to technology enhancements.<br>Other than 'Local Water Done Well', it is assumed that responsibilities will remain unaltered.                                                                                                                                                                                                                                                                                                         |
| <b>Activity Management Plans (AMP)</b>   |                                                                                                                         | LOW                            | Activities that account for a significant amount of Council expenditure and/or assets have had plans prepared to an advanced level. The AMPs will be subject to continual update with any changes incorporated into relative planning documents.                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Fixed Assets</b>                      | Significant assets fail sooner or later than estimated.                                                                 | MED                            | Asset life is based on the estimates of engineers and valuers. These are regularly reviewed through asset monitoring, testing and regular revaluations. Where an asset wears out earlier than anticipated, mitigation may also involve reprioritisation of the capital work programme. Negative impacts are likely to be at least partially offset by some assets lasting longer than estimated.                                                                                                                                                                                                                                                                  |
| <b>Contract rates</b>                    | May occur.                                                                                                              | MED                            | This assumption is deemed to carry a moderate risk to the integrity of this plan, as it relies on private and public contractors outside of Council's control. Should rates be higher than expected, the project's scope may need to be amended to fit within the envelope of funding available.                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Resource consents</b>                 | Unlikely to occur.                                                                                                      | LOW                            | Appropriate planning for resource consent applications/renewals should ensure that all appropriate consents are obtained. All project planning includes planning and a risk assessment of resource consenting.<br>Monitoring of compliance with existing resource consent conditions will provide a record of compliance for future processes and renewals.                                                                                                                                                                                                                                                                                                       |
| <b>Vesting of assets</b>                 | May occur.                                                                                                              | LOW                            | Usually beyond Council's control and their number and value are very difficult to predict.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Effects of climate change</b>         | May occur.                                                                                                              | MED                            | Effects of climate change over 100 years will be more pronounced in terms of more frequent and greater magnitude adverse impacts from extreme weather events. The effects of sea level rise will increase the rate of coastline cutback with adverse impacts on public and private property and Council infrastructure such as the roading and storm water networks.<br>If forecasts prove to be inaccurate, an overestimation may result in unnecessary works for the Council, however an underestimation could impact on the Council through emergency project works. Either scenario would affect ratepayers as infrastructure and hazard planning cost money. |

| FORECASTING ASSUMPTION              | LEVEL OF UNCERTAINTY | RISK ASSESSMENT (LOW/MED/HIGH) | REASONING FOR ASSESSMENT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-------------------------------------|----------------------|--------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Emissions trading scheme</b>     | May occur.           | LOW                            | Council has allowed for the costs as are known now. Annual budgets are refined to update all assumptions as part of each Annual Plan process.<br>If additional costs are incurred these can be mitigated through a reallocation of budgets and adjustments to service levels.                                                                                                                                                                                                                                                                                                          |
| <b>Natural disasters/resilience</b> | May occur.           | MED                            | There are risk management plans for key infrastructure assets in place and Council insures its infrastructure and other assets.<br>Through its Activity Management Plan process and project planning, Council aims to increase the resilience of critical assets, to limit effects of natural disaster and enable their reinstatement or replacement.<br>Central government (NEMA) has a role in disaster recovery after a natural disaster, including funding support.<br>Council has taken a proactive approach across the life of this plan to increase its disaster reserve funds. |
| <b>Local Water Done Well</b>        | Will occur.          | HIGH                           | Whilst the model has been prepared based on retaining water assets and the planned work is needed under any delivery model, there is a high-level of uncertainty over the financial impacts of the Councils modelled approach because the information is in draft and may change significantly when the legislation is passed, and the water services delivery consultation is completed / water services delivery plan is approved, impacting on the forecast information in the LTP and associated strategy documents there is significant risk.                                     |
| <b>Capex Delivery</b>               | May Occur            | Medium                         | In the past Council has undelivered on its capital programme usually due to staffing capacity and contractor availability. The current addresses this issues by allowing for five new staff in the infrastructure delivery area as well as planning around contractor availability. While the risk has been reduced the mitigations included in the plan still rely on external contractors and our ability to recruit for the roles.                                                                                                                                                  |
| <b>Demographic Changes</b>          | Unlikely to Occur    | Low                            | Council has identified that we have an aging population, we have tried to allow for this in planning of rates rises and spreading costs of capital over the life of assets via loan funding to reduce the burden on existing ratepayers.                                                                                                                                                                                                                                                                                                                                               |
| <b>Tourism and Growth</b>           | May Occur            | Low                            | Council's existing infrastructure has sufficient capacity to allow for predicted levels of tourism.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

# Prospective statement of comprehensive revenue & expenditure

|                                                 | 2025          | 2026           | 2027           | 2028           | 2029           | 2030          | 2031          | 2032          | 2033          | 2034          |
|-------------------------------------------------|---------------|----------------|----------------|----------------|----------------|---------------|---------------|---------------|---------------|---------------|
|                                                 | Annual Plan   | LTP Year 1     | LTP Year 2     | LTP Year 3     | LTP Year 4     | LTP Year 5    | LTP Year 6    | LTP Year 7    | LTP Year 8    | LTP Year 9    |
| Note                                            | \$000         | \$000          | \$000          | \$000          | \$000          | \$000         | \$000         | \$000         | \$000         | \$000         |
| <b>REVENUE</b>                                  |               |                |                |                |                |               |               |               |               |               |
| Rates revenue                                   | 25,820        | 29,361         | 32,325         | 35,634         | 39,751         | 44,274        | 47,486        | 51,162        | 52,664        | 53,143        |
| Subsidies and grants                            | 8,356         | 5,742          | 5,982          | 6,157          | 6,343          | 6,514         | 6,681         | 6,847         | 6,998         | 7,151         |
| Fees and charges                                | 6,011         | 8,187          | 8,423          | 8,617          | 8,822          | 9,024         | 9,224         | 9,422         | 9,622         | 9,816         |
| Other revenue                                   | 495           | 1,325          | 1,505          | 1,546          | 1,584          | 1,622         | 1,658         | 1,694         | 1,731         | 1,766         |
| Development and financial contributions         | 150           | 350            | 350            | 350            | 350            | 350           | 350           | 350           | 350           | 350           |
| Finance revenue                                 | 280           | 248            | 255            | 263            | 269            | 276           | 282           | 288           | 294           | 301           |
| <b>Total revenue</b>                            | <b>41,112</b> | <b>45,212</b>  | <b>48,841</b>  | <b>52,566</b>  | <b>57,120</b>  | <b>62,060</b> | <b>65,682</b> | <b>69,764</b> | <b>71,659</b> | <b>72,527</b> |
| <b>EXPENDITURE</b>                              |               |                |                |                |                |               |               |               |               |               |
| Personnel costs                                 | 7,408         | 10,019         | 10,823         | 11,254         | 11,711         | 12,056        | 12,387        | 12,714        | 12,968        | 13,215        |
| Depreciation and amortisation expense           | 11,754        | 13,876         | 15,452         | 16,194         | 16,614         | 18,122        | 18,614        | 19,177        | 20,815        | 21,294        |
| Finance costs                                   | 2,279         | 1,997          | 2,622          | 3,442          | 3,988          | 4,330         | 4,513         | 4,685         | 4,672         | 4,501         |
| Other expenses                                  | 18,562        | 25,932         | 25,892         | 26,599         | 27,105         | 27,588        | 28,417        | 28,848        | 29,476        | 30,192        |
| <b>Total expenditure</b>                        | <b>40,003</b> | <b>51,825</b>  | <b>54,789</b>  | <b>57,489</b>  | <b>59,417</b>  | <b>62,095</b> | <b>63,930</b> | <b>65,424</b> | <b>67,931</b> | <b>69,203</b> |
| <b>Net surplus / (deficit)</b>                  | <b>1,109</b>  | <b>(6,612)</b> | <b>(5,948)</b> | <b>(4,923)</b> | <b>(2,298)</b> | <b>(36)</b>   | <b>1,751</b>  | <b>4,340</b>  | <b>3,728</b>  | <b>3,325</b>  |
| <b>OTHER COMPREHENSIVE REVENUE AND EXPENSES</b> |               |                |                |                |                |               |               |               |               |               |
| Movement in asset revaluation reserve           | -             | 48,287         | -              | -              | 42,423         | -             | -             | 40,213        | -             | -             |
| <b>Total Comprehensive Revenue and Expense</b>  | <b>1,109</b>  | <b>41,675</b>  | <b>(5,948)</b> | <b>(4,923)</b> | <b>40,125</b>  | <b>(36)</b>   | <b>1,751</b>  | <b>44,553</b> | <b>3,728</b>  | <b>3,325</b>  |

Note: The cost of service statements presented in PART E: Groups of Activities do not include 'Other Comprehensive Revenue and Expenditure'. They will therefore reconcile to the 'Surplus/(deficit) after tax attributable to Grey District Council' line in the above statement.

The mandatory disclosures required for financial statements under Local Government (Financial Reporting) Regulations 2011 have been disclosed in the notes to these forecast financial statements.

# Prospective statement of changes in net assets/equity

|                                                      | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|------------------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Equity at the start of the year                      | 528,640                      | 552,327                     | 594,001                     | 588,053                     | 583,131                     | 623,256                     | 623,221                     | 624,972                     | 669,525                     | 673,253                     |
| Total comprehensive Revenue and Expense for the year | 1,109                        | 41,675                      | (5,948)                     | (4,923)                     | 40,125                      | (36)                        | 1,751                       | 44,553                      | 3,728                       | 3,325                       |
| <b>Equity at the end of the year</b>                 | <b>529,749</b>               | <b>594,001</b>              | <b>588,053</b>              | <b>583,131</b>              | <b>623,256</b>              | <b>623,221</b>              | <b>624,972</b>              | <b>669,525</b>              | <b>673,253</b>              | <b>676,578</b>              |
| <b>COMPONENTS OF EQUITY</b>                          |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| <b>RETAINED EARNINGS</b>                             |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| At the start of the year                             | 254,778                      | 229,726                     | 224,149                     | 219,418                     | 215,344                     | 213,413                     | 213,128                     | 214,421                     | 217,787                     | 221,200                     |
| Net surplus / (deficit) for the year                 | 1,109                        | 41,675                      | (5,948)                     | (4,923)                     | 40,125                      | (36)                        | 1,751                       | 44,553                      | 3,728                       | 3,325                       |
| Transfers to / (from)                                | (29,500)                     | (47,252)                    | 1,216                       | 849                         | (42,056)                    | (250)                       | (458)                       | (41,188)                    | (314)                       | (585)                       |
| <b>Retained Earnings at the end of the year</b>      | <b>226,387</b>               | <b>224,149</b>              | <b>219,418</b>              | <b>215,344</b>              | <b>213,413</b>              | <b>213,128</b>              | <b>214,421</b>              | <b>217,787</b>              | <b>221,200</b>              | <b>223,940</b>              |
| <b>SPECIAL RESERVES</b>                              |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| At the start of the year                             | 7,799                        | 8,189                       | 7,154                       | 5,938                       | 5,089                       | 4,721                       | 4,971                       | 5,430                       | 6,404                       | 6,718                       |
| Transfers to / (from)                                | (5,639)                      | (1,035)                     | (1,216)                     | (849)                       | (368)                       | 250                         | 458                         | 974                         | 314                         | 585                         |
| <b>Special Reserves at the end of the year</b>       | <b>2,160</b>                 | <b>7,154</b>                | <b>5,938</b>                | <b>5,089</b>                | <b>4,721</b>                | <b>4,971</b>                | <b>5,430</b>                | <b>6,404</b>                | <b>6,718</b>                | <b>7,303</b>                |
| <b>REVALUATION RESERVE</b>                           |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| At the start of the year                             | 266,063                      | 314,411                     | 362,698                     | 362,698                     | 362,698                     | 405,122                     | 405,122                     | 405,122                     | 445,335                     | 445,335                     |
| Transfers to / (from)                                | 35,139                       | 48,287                      | -                           | -                           | 42,423                      | -                           | -                           | 40,213                      | -                           | -                           |
| <b>Capital Reserves at the end of the year</b>       | <b>301,202</b>               | <b>362,698</b>              | <b>362,698</b>              | <b>362,698</b>              | <b>405,122</b>              | <b>405,122</b>              | <b>405,122</b>              | <b>445,335</b>              | <b>445,335</b>              | <b>445,335</b>              |
| <b>Total Components of Equity</b>                    | <b>529,749</b>               | <b>594,001</b>              | <b>588,053</b>              | <b>583,131</b>              | <b>623,256</b>              | <b>623,221</b>              | <b>624,972</b>              | <b>669,525</b>              | <b>673,253</b>              | <b>676,578</b>              |

# Prospective statement of financial position

|                                      | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|--------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>ASSETS</b>                        |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| <b>Current Assets</b>                |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Cash and cash equivalents            | 6,131                        | 10,934                      | 10,085                      | 9,717                       | 9,967                       | 10,426                      | 11,400                      | 11,714                      | 12,299                      | 12,681                      |
| Receivables                          | 4,965                        | 7,732                       | 7,732                       | 7,732                       | 7,732                       | 7,732                       | 7,732                       | 7,732                       | 7,732                       | 7,732                       |
| Prepayments                          | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Inventory                            | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Other financial assets               | 5,000                        | 596                         | 596                         | 596                         | 596                         | 596                         | 596                         | 596                         | 596                         | 596                         |
| <b>Total current assets</b>          | <b>16,096</b>                | <b>19,262</b>               | <b>18,413</b>               | <b>18,045</b>               | <b>18,295</b>               | <b>18,754</b>               | <b>19,728</b>               | <b>20,042</b>               | <b>20,627</b>               | <b>21,009</b>               |
| <b>Non Current Assets</b>            |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Property, plant and equipment        | 557,154                      | 639,817                     | 649,925                     | 654,159                     | 697,736                     | 696,925                     | 698,100                     | 740,666                     | 740,053                     | 740,513                     |
| Intangible assets                    | 205                          | 90                          | 93                          | 95                          | 96                          | 651                         | 1,148                       | 1,004                       | 858                         | 711                         |
| Other financial assets               | 618                          | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Investment property                  | 3,677                        | 5,695                       | 5,695                       | 5,695                       | 5,695                       | 5,695                       | 5,695                       | 5,695                       | 5,695                       | 5,695                       |
| <b>Total non current assets</b>      | <b>561,654</b>               | <b>645,602</b>              | <b>655,714</b>              | <b>659,950</b>              | <b>703,527</b>              | <b>703,271</b>              | <b>704,943</b>              | <b>747,365</b>              | <b>746,606</b>              | <b>746,918</b>              |
| <b>Total assets</b>                  | <b>577,750</b>               | <b>664,864</b>              | <b>674,127</b>              | <b>677,995</b>              | <b>721,822</b>              | <b>722,025</b>              | <b>724,671</b>              | <b>767,407</b>              | <b>767,233</b>              | <b>767,928</b>              |
| <b>LIABILITIES</b>                   |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| <b>Current Liabilities</b>           |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Payables                             | 5,452                        | 6,599                       | 6,599                       | 6,599                       | 6,599                       | 6,599                       | 6,599                       | 6,599                       | 6,599                       | 6,599                       |
| Employee entitlements                | 379                          | 497                         | 497                         | 497                         | 497                         | 497                         | 497                         | 497                         | 497                         | 497                         |
| Borrowings                           | 7,000                        | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total current liabilities</b>     | <b>12,831</b>                | <b>7,096</b>                | <b>7,096</b>                | <b>7,096</b>                | <b>7,096</b>                | <b>7,096</b>                | <b>7,096</b>                | <b>7,096</b>                | <b>7,096</b>                | <b>7,096</b>                |
| <b>Non Current Liabilities</b>       |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Borrowings                           | 33,600                       | 62,133                      | 77,343                      | 86,134                      | 89,836                      | 90,074                      | 90,969                      | 89,151                      | 85,250                      | 82,620                      |
| Derivative financial instruments     | -                            | 95                          | 95                          | 95                          | 95                          | 95                          | 95                          | 95                          | 95                          | 95                          |
| Provisions                           | 1,360                        | 1,539                       | 1,539                       | 1,539                       | 1,539                       | 1,539                       | 1,539                       | 1,539                       | 1,539                       | 1,539                       |
| Employee entitlements                | 210                          | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total non current liabilities</b> | <b>35,170</b>                | <b>63,767</b>               | <b>78,977</b>               | <b>87,768</b>               | <b>91,470</b>               | <b>91,708</b>               | <b>92,603</b>               | <b>90,785</b>               | <b>86,884</b>               | <b>84,254</b>               |
| <b>Total liabilities</b>             | <b>48,001</b>                | <b>70,863</b>               | <b>86,073</b>               | <b>94,864</b>               | <b>98,566</b>               | <b>98,804</b>               | <b>99,699</b>               | <b>97,881</b>               | <b>93,980</b>               | <b>91,350</b>               |
| <b>NET ASSETS</b>                    | <b>529,749</b>               | <b>594,001</b>              | <b>588,053</b>              | <b>583,131</b>              | <b>623,256</b>              | <b>623,221</b>              | <b>624,972</b>              | <b>669,525</b>              | <b>673,253</b>              | <b>676,578</b>              |
| <b>EQUITY</b>                        |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Retained earnings                    | 226,387                      | 224,149                     | 219,418                     | 215,344                     | 213,413                     | 213,128                     | 214,421                     | 217,787                     | 221,200                     | 223,940                     |
| Trusts, Bequests and Other Reserves  | 2,160                        | 7,154                       | 5,938                       | 5,089                       | 4,721                       | 4,971                       | 5,430                       | 6,404                       | 6,718                       | 7,303                       |
| Revaluation reserve                  | 301,202                      | 362,698                     | 362,698                     | 362,698                     | 405,122                     | 405,122                     | 405,122                     | 445,335                     | 445,335                     | 445,335                     |
| Special funds                        | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>TOTAL EQUITY</b>                  | <b>529,749</b>               | <b>594,001</b>              | <b>588,053</b>              | <b>583,131</b>              | <b>623,256</b>              | <b>623,221</b>              | <b>624,972</b>              | <b>669,525</b>              | <b>673,253</b>              | <b>676,578</b>              |

# Prospective statement of cash flows

|                                                                   | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|-------------------------------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                       |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Cash was provide by / (applied to):                               |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Receipts from rates revenue                                       | 26,172                       | 29,361                      | 32,325                      | 35,634                      | 39,751                      | 44,274                      | 47,486                      | 51,162                      | 52,664                      | 53,143                      |
| Receipts from other revenue                                       | 15,012                       | 13,353                      | 13,916                      | 14,263                      | 14,632                      | 14,983                      | 15,329                      | 15,672                      | 16,004                      | 16,333                      |
| Subsidies and grants                                              | -                            | 2,250                       | 2,344                       | 2,407                       | 2,467                       | 2,527                       | 2,585                       | 2,642                       | 2,697                       | 2,751                       |
| Interest received                                                 | 280                          | 248                         | 255                         | 263                         | 269                         | 276                         | 282                         | 288                         | 294                         | 301                         |
| Payments to suppliers and employees                               | (25,921)                     | (35,296)                    | (36,715)                    | (37,853)                    | (38,815)                    | (39,643)                    | (40,804)                    | (41,562)                    | (42,444)                    | (43,407)                    |
| Interest paid                                                     | (2,279)                      | (1,997)                     | (2,622)                     | (3,442)                     | (3,988)                     | (4,330)                     | (4,513)                     | (4,685)                     | (4,672)                     | (4,501)                     |
| <b>Net cash flow from operating activities</b>                    | <b>13,264</b>                | <b>7,920</b>                | <b>9,504</b>                | <b>11,271</b>               | <b>14,316</b>               | <b>18,086</b>               | <b>20,365</b>               | <b>23,517</b>               | <b>24,543</b>               | <b>24,619</b>               |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                       |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Cash was provide by / (applied to):                               |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Proceeds from investments                                         | 1,312                        | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Proceeds from sale of property, plant and equipment               | (20,113)                     | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Purchase of property, plant and equipment                         | -                            | (22,262)                    | (25,564)                    | (20,430)                    | (17,768)                    | (17,866)                    | (20,286)                    | (21,385)                    | (20,056)                    | (21,607)                    |
| Purchase of investment property                                   | (79)                         | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Net cash flow from investing activities</b>                    | <b>(18,880)</b>              | <b>(22,262)</b>             | <b>(25,564)</b>             | <b>(20,430)</b>             | <b>(17,768)</b>             | <b>(17,866)</b>             | <b>(20,286)</b>             | <b>(21,385)</b>             | <b>(20,056)</b>             | <b>(21,607)</b>             |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                       |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Cash was provide by / (applied to):                               |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Repayment of borrowings                                           | (2,396)                      | (1,919)                     | (2,391)                     | (2,955)                     | (3,321)                     | (4,766)                     | (4,991)                     | (5,116)                     | (5,330)                     | (5,510)                     |
| Proceeds from borrowings                                          | 8,624                        | 15,045                      | 17,602                      | 11,746                      | 7,023                       | 5,004                       | 5,886                       | 3,298                       | 1,428                       | 2,880                       |
| <b>Net cash flow from investing activities</b>                    | <b>6,228</b>                 | <b>13,126</b>               | <b>15,211</b>               | <b>8,791</b>                | <b>3,702</b>                | <b>238</b>                  | <b>895</b>                  | <b>(1,818)</b>              | <b>(3,902)</b>              | <b>(2,630)</b>              |
| <b>Net increase / (decrease) in cash and cash equivalents</b>     | <b>612</b>                   | <b>(1,216)</b>              | <b>(849)</b>                | <b>(368)</b>                | <b>250</b>                  | <b>458</b>                  | <b>974</b>                  | <b>314</b>                  | <b>585</b>                  | <b>382</b>                  |
| Cash and cash equivalents at the beginning of the financial year  | 5,519                        | 12,150                      | 10,934                      | 10,085                      | 9,717                       | 9,967                       | 10,426                      | 11,400                      | 11,714                      | 12,299                      |
| <b>Cash and cash equivalents at the end of the financial year</b> | <b>6,131</b>                 | <b>10,934</b>               | <b>10,085</b>               | <b>9,717</b>                | <b>9,967</b>                | <b>10,426</b>               | <b>11,400</b>               | <b>11,714</b>               | <b>12,299</b>               | <b>12,681</b>               |

# Notes to the prospective financial statements

## Note 1: Budgeted rates revenue

### Total rates

|                                                  | 2025<br>Annual Plan<br>Note | 2026<br>LTP Year 1 | 2027<br>LTP Year 2 | 2028<br>LTP Year 3 | 2029<br>LTP Year 4 | 2030<br>LTP Year 5 | 2031<br>LTP Year 6 | 2032<br>LTP Year 7 | 2033<br>LTP Year 8 | 2034<br>LTP Year 9 |
|--------------------------------------------------|-----------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                                                  | \$000                       | \$000              | \$000              | \$000              | \$000              | \$000              | \$000              | \$000              | \$000              | \$000              |
| <b>GENERAL RATES</b>                             |                             |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| General Rates - Uniform Annual General Charge    | 4,439                       | 6,052              | 7,200              | 7,282              | 7,361              | 7,868              | 8,021              | 7,672              | 7,839              | 8,091              |
| General Rates - Set on land value                | 9,104                       | 10,095             | 12,747             | 14,380             | 14,293             | 15,891             | 17,769             | 20,175             | 19,858             | 20,954             |
| <b>Total General Rates</b>                       | <b>13,543</b>               | <b>16,147</b>      | <b>19,947</b>      | <b>21,661</b>      | <b>21,654</b>      | <b>23,758</b>      | <b>25,790</b>      | <b>27,847</b>      | <b>27,697</b>      | <b>29,044</b>      |
| <b>TARGETED RATES ATTRIBUTABLE TO ACTIVITIES</b> |                             |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Economic Development                             | 132                         | 337                | 364                | 373                | 381                | 390                | 397                | 405                | 412                | 419                |
| Refuse Collection                                | 2,144                       | 3,597              | 3,594              | 3,677              | 3,775              | 3,996              | 4,070              | 4,139              | 4,253              | 5,518              |
| Sewerage Collection                              | 2,964                       | 4,281              | 4,084              | 4,823              | 5,808              | 6,640              | 6,961              | 7,064              | 7,122              | 7,171              |
| Water Supplies                                   | 2,849                       | 4,292              | 3,609              | 4,351              | 7,368              | 8,709              | 9,469              | 10,892             | 12,347             | 10,141             |
| Water Meter Rates                                | 293                         | 358                | 368                | 377                | 385                | 393                | 401                | 409                | 417                | 425                |
| <b>Penalties</b>                                 |                             |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Rate Penalties                                   | 131                         | 350                | 361                | 371                | 380                | 389                | 398                | 407                | 416                | 424                |
| <b>Total Rates</b>                               | <b>22,057</b>               | <b>29,361</b>      | <b>32,325</b>      | <b>35,634</b>      | <b>39,751</b>      | <b>44,274</b>      | <b>47,486</b>      | <b>51,162</b>      | <b>52,664</b>      | <b>53,143</b>      |



## Projected number of rating units

|                           | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|---------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Rateable rating units     | 9,137                        | 9,210                       | 9,284                       | 9,358                       | 9,433                       | 9,508                       | 9,584                       | 9,661                       | 9,738                       | 9,816                       |
| Non rateable rating units | 516                          | 516                         | 516                         | 516                         | 516                         | 516                         | 516                         | 516                         | 516                         | 516                         |
| <b>Total rating units</b> | <b>9,653</b>                 | <b>9,726</b>                | <b>9,800</b>                | <b>9,874</b>                | <b>9,949</b>                | <b>10,024</b>               | <b>10,100</b>               | <b>10,177</b>               | <b>10,254</b>               | <b>10,332</b>               |

## Note 2: Budgeted subsidies and grants

|                                        | Note | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|----------------------------------------|------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| New Zealand Transport Agency Subsidies |      | 5,744                        | 5,546                       | 5,781                       | 5,950                       | 6,131                       | 6,297                       | 6,460                       | 6,621                       | 6,767                       | 6,915                       |
| Other Grants and Subsidies             |      | 2,610                        | 195                         | 201                         | 207                         | 212                         | 217                         | 222                         | 227                         | 232                         | 237                         |
| <b>Total subsidies and grants</b>      |      | <b>8,354</b>                 | <b>5,742</b>                | <b>5,982</b>                | <b>6,157</b>                | <b>6,343</b>                | <b>6,514</b>                | <b>6,681</b>                | <b>6,847</b>                | <b>6,998</b>                | <b>7,151</b>                |

## Note 3: Budgeted other revenue

|                                                        | Note | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|--------------------------------------------------------|------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Traffic and parking infringements                      |      | -                            | 84                          | 86                          | 89                          | 91                          | 93                          | 95                          | 97                          | 99                          | 101                         |
| Petrol tax                                             |      | 346                          | 186                         | 189                         | 194                         | 199                         | 204                         | 209                         | 213                         | 218                         | 222                         |
| Dividends                                              |      | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Net gain (loss) on non current assets held for sale    |      | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Net gain (loss) on sale of property, plant & equipment |      | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Investment property revaluation gains                  |      | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Assets vested                                          |      | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Other                                                  |      | 149                          | 1,055                       | 1,229                       | 1,263                       | 1,294                       | 1,324                       | 1,354                       | 1,384                       | 1,414                       | 1,443                       |
| <b>Total other income</b>                              |      | <b>495</b>                   | <b>1,325</b>                | <b>1,505</b>                | <b>1,546</b>                | <b>1,584</b>                | <b>1,622</b>                | <b>1,658</b>                | <b>1,694</b>                | <b>1,731</b>                | <b>1,766</b>                |

## Note 4: Budgeted revenue by activity

|                                                      | 2025<br>Annual Plan<br>Note | 2026<br>LTP Year 1 | 2027<br>LTP Year 2 | 2028<br>LTP Year 3 | 2029<br>LTP Year 4 | 2030<br>LTP Year 5 | 2031<br>LTP Year 6 | 2032<br>LTP Year 7 | 2033<br>LTP Year 8 | 2034<br>LTP Year 9 |
|------------------------------------------------------|-----------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                                                      | \$000                       | \$000              | \$000              | \$000              | \$000              | \$000              | \$000              | \$000              | \$000              | \$000              |
| Land Transport                                       | 14,699                      | 8,558              | 9,665              | 10,246             | 10,505             | 10,515             | 10,770             | 10,880             | 11,107             | 11,747             |
| Stormwater                                           | 1,635                       | 1,095              | 2,102              | 2,737              | 2,894              | 3,843              | 4,913              | 6,798              | 7,887              | 7,956              |
| Wastewater                                           | 3,541                       | 6,456              | 6,310              | 7,097              | 8,122              | 8,993              | 9,354              | 9,498              | 9,598              | 9,687              |
| Water Supply                                         | 3,663                       | 4,650              | 3,977              | 4,728              | 7,753              | 9,102              | 9,869              | 11,301             | 12,763             | 10,566             |
| Refuse and Recycling                                 | 4,050                       | 5,800              | 5,845              | 5,989              | 6,146              | 6,444              | 6,572              | 6,692              | 6,867              | 8,378              |
| Environmental Services                               | 3,248                       | 4,026              | 4,209              | 4,301              | 4,611              | 4,770              | 4,996              | 4,775              | 4,830              | 4,918              |
| Commercial and Property                              | 2,762                       | 2,375              | 2,847              | 3,126              | 3,218              | 3,294              | 3,363              | 3,349              | 3,391              | 3,451              |
| Community and Recreation                             | 7,012                       | 7,898              | 9,445              | 9,773              | 9,404              | 10,043             | 10,021             | 11,610             | 10,347             | 10,829             |
| Governance and Strategy                              | 3,576                       | 4,354              | 4,441              | 4,570              | 4,466              | 5,055              | 5,823              | 4,862              | 4,869              | 4,995              |
| <b>Total Activity Income</b>                         | <b>44,185</b>               | <b>45,212</b>      | <b>48,841</b>      | <b>52,566</b>      | <b>57,120</b>      | <b>62,060</b>      | <b>65,682</b>      | <b>69,764</b>      | <b>71,659</b>      | <b>72,527</b>      |
| <i>less</i> Internal charges and overheads recovered | 5,967                       | 7,676              | 8,019              | 8,316              | 8,615              | 8,899              | 9,164              | 9,427              | 9,620              | 9,808              |
| <b>Total Income</b>                                  | <b>38,218</b>               | <b>37,536</b>      | <b>40,822</b>      | <b>44,250</b>      | <b>48,505</b>      | <b>53,160</b>      | <b>56,518</b>      | <b>60,337</b>      | <b>62,039</b>      | <b>62,719</b>      |

## Note 6: Budgeted depreciation and amortisation expense

|                                            | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|--------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Note                                       |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Land Transport                             | 4,593                        | 5,295                       | 5,853                       | 5,950                       | 6,051                       | 6,597                       | 6,702                       | 6,810                       | 7,411                       | 7,524                       |
| Stormwater                                 | 1,423                        | 1,656                       | 1,858                       | 1,902                       | 1,966                       | 2,194                       | 2,251                       | 2,336                       | 2,553                       | 2,642                       |
| Wastewater                                 | 1,939                        | 2,250                       | 2,547                       | 2,646                       | 2,683                       | 2,914                       | 2,959                       | 2,990                       | 3,203                       | 3,233                       |
| Water Supply                               | 1,276                        | 1,544                       | 1,788                       | 1,925                       | 2,026                       | 2,254                       | 2,322                       | 2,440                       | 2,753                       | 2,929                       |
| Refuse and Recycling                       | 72                           | 128                         | 156                         | 162                         | 171                         | 189                         | 194                         | 200                         | 218                         | 225                         |
| Environmental Services                     | 6                            | 11                          | 16                          | 23                          | 28                          | 32                          | 37                          | 64                          | 69                          | 74                          |
| Commercial and Property                    | 760                          | 883                         | 966                         | 989                         | 1,010                       | 1,106                       | 1,120                       | 1,131                       | 1,201                       | 1,212                       |
| Community and Recreation                   | 1,468                        | 1,853                       | 1,941                       | 2,204                       | 2,242                       | 2,353                       | 2,393                       | 2,418                       | 2,572                       | 2,597                       |
| Governance and Strategy                    | 176                          | 257                         | 326                         | 392                         | 437                         | 482                         | 635                         | 789                         | 834                         | 858                         |
| <b>Total Depreciation and Amortisation</b> | <b>11,714</b>                | <b>13,876</b>               | <b>15,452</b>               | <b>16,194</b>               | <b>16,614</b>               | <b>18,122</b>               | <b>18,614</b>               | <b>19,177</b>               | <b>20,815</b>               | <b>21,294</b>               |

## Note 7: Budgeted other expenses

|                                                         | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|---------------------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Note                                                    |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| <b>Fees to principle auditor</b>                        |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Audit of financial statements                           | 219                          | 214                         | 220                         | 226                         | 232                         | 237                         | 243                         | 248                         | 254                         | 259                         |
| Long Term Plan (LTP) audit                              | 147                          | 8                           | 9                           | 157                         | 9                           | 9                           | 169                         | 10                          | 10                          | 180                         |
| Audit fee paid on behalf of West Coast Recreation Trust | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Assets written off                                      | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Impairment of asset expense                             | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Bad debt expense                                        | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Directors' fees                                         | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Grants & Donations                                      | 86                           | 886                         | 228                         | 199                         | 208                         | 218                         | 227                         | 233                         | 238                         | 243                         |
| Movement in impairment of receivables                   | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Movement in provision for financial guarantee           | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Insurance expense                                       | 1,161                        | 1,668                       | 1,716                       | 1,762                       | 1,803                       | 1,844                       | 1,884                       | 1,924                       | 1,965                       | 2,005                       |
| Remuneration of elected members                         | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Minimum lease payments under operating leases           | 240                          | 369                         | 364                         | 356                         | 365                         | 374                         | 382                         | 391                         | 399                         | 408                         |
| Other operating expenses                                | 16,708                       | 22,789                      | 23,355                      | 23,900                      | 24,488                      | 24,906                      | 25,512                      | 26,042                      | 26,610                      | 27,098                      |
| <b>Total other expenses</b>                             | <b>18,561</b>                | <b>25,932</b>               | <b>25,892</b>               | <b>26,599</b>               | <b>27,105</b>               | <b>27,588</b>               | <b>28,417</b>               | <b>28,848</b>               | <b>29,476</b>               | <b>30,192</b>               |

## Note 9: Budgeted expenditure by activity

|                                   | 2025<br>Annual Plan<br>Note | 2026<br>LTP Year 1 | 2027<br>LTP Year 2 | 2028<br>LTP Year 3 | 2029<br>LTP Year 4 | 2030<br>LTP Year 5 | 2031<br>LTP Year 6 | 2032<br>LTP Year 7 | 2033<br>LTP Year 8 | 2034<br>LTP Year 9 |
|-----------------------------------|-----------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                                   | \$000                       | \$000              | \$000              | \$000              | \$000              | \$000              | \$000              | \$000              | \$000              | \$000              |
| Land Transport                    | 8,101                       | 10,543             | 11,284             | 11,546             | 11,793             | 12,488             | 12,739             | 12,988             | 13,719             | 13,957             |
| Stormwater                        | 2,264                       | 3,044              | 3,388              | 3,562              | 3,769              | 4,268              | 4,470              | 4,760              | 5,032              | 5,181              |
| Wastewater                        | 4,190                       | 6,950              | 7,518              | 7,989              | 8,209              | 8,540              | 8,725              | 8,817              | 9,057              | 9,096              |
| Water Supply                      | 3,760                       | 4,643              | 5,121              | 5,731              | 6,227              | 6,647              | 6,833              | 7,075              | 7,526              | 7,698              |
| Refuse and Recycling              | 2,693                       | 5,493              | 5,701              | 5,847              | 6,007              | 6,120              | 6,250              | 6,371              | 6,501              | 6,619              |
| Environmental Services            | 2,982                       | 3,966              | 4,069              | 4,133              | 4,351              | 4,409              | 4,586              | 4,739              | 4,793              | 4,885              |
| Commercial and Property           | 2,712                       | 3,294              | 3,536              | 3,650              | 3,769              | 3,930              | 4,015              | 4,086              | 4,213              | 4,277              |
| Community and Recreation          | 6,300                       | 9,170              | 10,070             | 10,595             | 10,809             | 11,147             | 11,346             | 11,565             | 11,849             | 12,041             |
| Governance and Strategy           | 3,966                       | 4,722              | 4,102              | 4,435              | 4,484              | 4,546              | 4,967              | 5,023              | 5,241              | 5,449              |
| <b>Total Activity Expenditure</b> | <b>36,968</b>               | <b>51,825</b>      | <b>54,789</b>      | <b>57,489</b>      | <b>59,417</b>      | <b>62,095</b>      | <b>63,930</b>      | <b>65,424</b>      | <b>67,931</b>      | <b>69,203</b>      |

# Statement of movement in Council special funds (reserve funds)

|                                          | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>SPECIAL RESERVES</b>                  |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Special Fund Interest Suspense           | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Barrytown Area Infra Reserve             | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Hauipi Area Infra Reserve                | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Runanga Area Infra Reserve               | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Kaiata Stillwater Area Infra Reserve     | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Arnold Valley Area Infra Reserve         | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Lake Brunner Area Infra Reserve          | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Hohoua Area Infra Reserve                | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Infra Renewal Reserve                    | -                            | (300)                       | 150                         | 300                         | -                           | -                           | -                           | -                           | (300)                       | (150)                       |
| Cemetery Maintenance Reserve             | -                            | 100                         | 75                          | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Roading Reserve - Exp Committed          | -                            | 50                          | 50                          | (250)                       | (250)                       | -                           | -                           | -                           | -                           | -                           |
| Land Fill Reserve                        | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Airport Runway Resealing Reserve         | -                            | -                           | (10)                        | (10)                        | (10)                        | (10)                        | (10)                        | (10)                        | (10)                        | (10)                        |
| Airport Maintenance Reserve              | -                            | 50                          | 50                          | 25                          | -                           | -                           | -                           | -                           | -                           | -                           |
| Westland Rec Maintenance Reserve         | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Thomas Dehenny Bequest                   | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Spring Creek Pool                        | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Ogilvie Reserve Reserve                  | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Disaster Recovery Reserve                | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Civil Defence Reserve                    | -                            | (10)                        | (60)                        | (100)                       | (200)                       | (300)                       | (330)                       | -                           | -                           | -                           |
| Rural Fire Authority Reserve             | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Economic Development Reserve             | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Harbour Endowment LS Reserves            | -                            | 350                         | 125                         | (100)                       | (100)                       | (100)                       | (100)                       | (25)                        | -                           | -                           |
| Land Sale Reserve                        | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Reserves Subdivision Contributions       | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Maori Land Compensation Reserve          | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| District Planning Reserve                | -                            | -                           | -                           | (40)                        | (40)                        | (40)                        | (40)                        | (40)                        | (40)                        | (40)                        |
| Plant and Machinery Reserve              | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Building & Property Gen Reserve          | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Corp Equip and Furniture Reserve         | -                            | 40                          | -                           | (30)                        | (30)                        | (30)                        | (30)                        | (30)                        | (30)                        | (30)                        |
| Staff Costs Reserve                      | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Rental Housing Reserve                   | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Library Reserve                          | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Karoro Infrastructure Dev Reserve        | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Cameron's Infrastructure Reserve         | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Gladstone Infrastructure Reserve         | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| SPECIAL FUNDS - Committed Expenditure    | -                            | 575                         | 175                         | 375                         | (25)                        | (25)                        | (525)                       | (275)                       | (275)                       | (225)                       |
| McGlashan Trust                          | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Perotti Bequest                          | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Peters Bequest - Talking Books           | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Activity Surplus/Deficit                 | -                            | 333                         | 267                         | 168                         | 375                         | 15                          | 29                          | 33                          | 36                          | 40                          |
| Reserve Fund transfer - fund not defined | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Other Reserves                           | -                            | 5,966                       | 5,144                       | 4,806                       | 5,086                       | 5,576                       | 6,582                       | 6,928                       | 7,547                       | 7,962                       |
| Activity Reserve                         | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total Special Reserve Summary</b>     | -                            | <b>7,154</b>                | <b>5,966</b>                | <b>5,144</b>                | <b>4,806</b>                | <b>5,086</b>                | <b>5,576</b>                | <b>6,582</b>                | <b>6,928</b>                | <b>7,547</b>                |

## Special fund purposes

| SPECIAL FUNDS                                    |                                                                                                                                        |
|--------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| Infrastructure Area Reserve funds                |                                                                                                                                        |
| <b>Ahaura Area Infra Reserve</b>                 | To develop/improve infrastructure in the respective areas per the preference of people in the area.                                    |
| <b>Arnold Valley Area Infra Reserve</b>          | To develop/improve infrastructure in the respective areas per the preference of people in the area.                                    |
| <b>Atarau Area Infra Reserve</b>                 | To develop/improve infrastructure in the respective areas per the preference of people in the area.                                    |
| <b>Barrytown Area Infra Reserve</b>              | To develop/improve infrastructure in the respective areas per the preference of people in the area.                                    |
| <b>Blackball Area Infra Reserve</b>              | To develop/improve infrastructure in the respective areas per the preference of people in the area.                                    |
| <b>Camerons Infrastructure Reserve</b>           | To develop/improve infrastructure in the respective areas per the preference of people in the area.                                    |
| <b>Gladstone Infrastructure Reserve</b>          | To develop/improve infrastructure in the respective areas per the preference of people in the area.                                    |
| <b>Haupiri Area Infra Reserve</b>                | To develop/improve infrastructure in the respective areas per the preference of people in the area.                                    |
| <b>Kaiata Stillwater Area Infra Reserve</b>      | To develop/improve infrastructure in the respective areas per the preference of people in the area.                                    |
| <b>Karoro Infrastructure Development Reserve</b> | To develop/improve infrastructure in the respective areas per the preference of people in the area.                                    |
| <b>Lake Brunner Area Infra Reserve</b>           | To develop/improve infrastructure in the respective areas per the preference of people in the area.                                    |
| <b>Nelson Creek Area Infra Reserve</b>           | To develop/improve infrastructure in the respective areas per the preference of people in the area.                                    |
| <b>Ngahere Infrastructure Reserve</b>            | To develop/improve infrastructure in the respective areas per the preference of people in the area.                                    |
| <b>Runanga Area Infra Reserve</b>                | To develop/improve infrastructure in the respective areas per the preference of people in the area.                                    |
| <b>South Beach/Paroa Infrastructure Reserve</b>  | To develop/improve infrastructure in the respective areas per the preference of people in the area.                                    |
| <b>Te Kinga Infra Upgrade Reserve</b>            | To fund land transport, water, and/or wastewater infrastructure upgrades required in the Te Kinga area.                                |
| Other special funds                              |                                                                                                                                        |
| <b>Airport Maintenance Reserve</b>               | To fund the periodic re-seal of airport runway and other significant maintenance.                                                      |
| <b>Airport Runway resealing reserve</b>          | To fund the periodic re-seal of airport runway and other significant maintenance.                                                      |
| <b>Building &amp; Property General Reserve</b>   | To fund major maintenance and renewal of Council buildings and associated facilities excluding dedicated reserves (property activity). |
| <b>Cemetery Extension Reserve</b>                | To fund additional capacity, renewal and maintenance of cemeteries.                                                                    |
| <b>Cemetery Maintenance Reserve</b>              | To fund additional capacity, renewal and maintenance of cemeteries.                                                                    |
| <b>Civil Defence Reserve</b>                     | To fund any extraordinary expenditure associated with providing Council's emergency management function.                               |
| <b>Cobden Stormwater Mitigation Reserve</b>      | To fund enhancement of stormwater management in Cobden.                                                                                |
| <b>Corp Equip and Furniture Reserve</b>          | To fund the upgrade and renewal of office equipment and furniture; and to fund new office equipment and investment in new technology   |



| SPECIAL FUNDS                                  |                                                                                                                                                                                                     |
|------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CWS Ltd Share Sale Reserve</b>              | General purpose reserve available for use in any Council activities.                                                                                                                                |
| <b>Disaster Recovery Reserve</b>               | To fund Council's excess on the loss of Council assets in the event of a major disaster (all activities).                                                                                           |
| <b>District Planning Reserve</b>               | To fund any large costs arising from District Plan reviews or one-off projects associated with planning and regulations.                                                                            |
| <b>Economic Development Reserve</b>            | To fund economic development, including a share of land transport, wastewater, water supply, and stormwater development expenditure incurred via subdivision.                                       |
| <b>Gas Management Plan Reserve</b>             | To fund a portion of any associated costs of identifying and mitigating effects of any land associated with historic gasworks.                                                                      |
| <b>Greymouth Sewerage Fund</b>                 | To fund the wider Greymouth Area Sewerage Scheme.                                                                                                                                                   |
| <b>Flood Protection Reserve</b>                | To fund capital works to enhance flood protection measures in the District for which Council is responsible for.                                                                                    |
| <b>Footpath Reserve</b>                        | To fund the development or renewal of footpaths in the District (land transport activity).                                                                                                          |
| <b>Harbour Endowment Land Sales Reserves</b>   | To fund any operating deficits of Port related activities                                                                                                                                           |
| <b>Infra Renewal Reserve</b>                   | To fund expenditure in connection with deferred maintenance, major maintenance and renewal in respect of land transport (including footpaths), wastewater, water supply, stormwater and solid waste |
| <b>Landfill Reserve</b>                        | To fund capital works required for solid waste management                                                                                                                                           |
| <b>Land Sale Reserve</b>                       | To fund purchase of land, key strategic assets and obtaining fee simple ownership of leasehold property; and to fund other significant projects as decided by Council as part of the Annual Plan.   |
| <b>Library Reserve</b>                         | To fund any key maintenance work or equipment upgrades required at Council's District library.                                                                                                      |
| <b>Miners Rec Centre Reserve</b>               | To fund the proposed Miners' Recreation Centre                                                                                                                                                      |
| <b>Moana Water Supply</b>                      | To fund any design options for a reticulated water supply servicing Moana (not signalled in this plan).                                                                                             |
| <b>Māori Land Compensation Reserve</b>         | To fund part of the rent increases on land leased from the Mawhera Incorporation (all activities with associated leases).                                                                           |
| <b>Plant and Machinery Reserve</b>             | To replace existing plant (vehicles), or effect major maintenance to existing plant.                                                                                                                |
| <b>Port Plant Renewal</b>                      | To replace existing port operational plant or effect major maintenance to existing port operational plant.                                                                                          |
| <b>Rental Housing Reserve</b>                  | To maintain in perpetuity, Council's retirement housing stock.                                                                                                                                      |
| <b>Reserves Subdivision Contributions</b>      | To fund the creation of new recreational areas/reserves.                                                                                                                                            |
| <b>Roading Reserve - Expenditure Committed</b> | To spread funding of key roading (land transport) renewal projects, given that they do not have an equal funding requirement year to year.                                                          |
| <b>Rural Sewerage Capital Works Reserve</b>    | To fund enhancement and development sewerage schemes other than the Greymouth Area scheme.                                                                                                          |
| <b>Rural Fire Authority Reserve</b>            | To fund the expenditure associated with major rural fires and any significant renewals capital expenditure required for the rural fire activity.                                                    |
| <b>Special Funds - Committed Expenditure</b>   | Holds amounts already committed by Council from other Special Funds, but not yet spent                                                                                                              |
| <b>Staff Costs Reserve</b>                     | To fund the cost of recruiting and replacing staff (all activities)                                                                                                                                 |
| <b>Sunshine Coach Reserve</b>                  | To fund any renewal and significant maintenance cost associated with the 'Sunshine Coach'                                                                                                           |
| <b>Town Clock Reserve</b>                      | To fund renewal/major maintenance of town clock.                                                                                                                                                    |
| <b>Town Development Strategy Reserve</b>       | To fund a portion of any projects that may arise as a result of the Town Development Strategy.                                                                                                      |

# Summary of significant accounting policies

## Reporting entity

Grey District Council ("Council") is a territorial local authority governed by the Local Government Act 2002.

Council has one associate: West Coast Amateur Sports Trust.

All associates are incorporated in New Zealand.

The primary objective of Council is to provide goods or services for the community or social benefit rather than making a financial return. The Council has designated itself as a public benefit entity (PBE) for the purposes of complying with generally accepted accounting practice.

The prospective financial statements of Council were authorised for issue by Council on 30 April 2025.

## Basis of preparation

The financial statements of Council have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 98 and Part 3 of Schedule 10, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

These financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with Public Benefit Entity Standards (PBE Standards) and authoritative notices that are applicable to entities that apply PBE Standards.

Council is classified as a Tier 2 reporting entity but has elected to report under Tier 1 and it applies full PBE Standards. The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The financial statements have been prepared on a historical cost basis, except where modified by the revaluation of land and buildings, certain infrastructural assets, investment property, forestry assets, and certain financial instruments (including derivative instruments).

The financial statements are presented in New Zealand dollars and are rounded to the nearest thousand dollars (\$'000) where indicated. The functional currency of Council is New Zealand dollars.

The prospective financial statements have been prepared in accordance with financial reporting standard PBE FRS 42.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the surplus/deficit.

## Associates

An associate is an entity over which Council has significant influence and that is neither a subsidiary nor an interest in a joint venture.

Council investments in associates are carried at cost in Council's own "parent entity" financial statements in accordance with PBE IPSAS 7.19(c).

## Joint ventures

Joint ventures are those entities, assets or operations over which the Council has joint control, established by contractual agreement. The consolidated financial statements include the Council's proportionate share of the joint venture entities' assets, liabilities, revenue and expenses with items of a similar nature on a line by line basis, from the date joint control ceases.

## Accounting policies

The following accounting policies which materially affect the measurement of financial performance, financial position and cash flows for Council have been applied:

### Revenue

Revenue comprises of the items below and is measured at the fair value of consideration received or receivable.

Revenue may be derived from either exchange or non-exchange transactions.

## Revenue from exchange and non-exchange transactions

Revenue from exchange transactions arises where the Council provides goods or services to another entity and directly receives approximately equal value (primarily in the form of cash in exchange).

Revenue from non-exchange transactions arises from transactions that are not exchange transactions. Revenue from non-exchange transaction arises when the Council receives value from another party without giving approximately equal value directly in exchange for the value received.

Approximately equal value is considered to reflect a fair or market value, which is normally commensurate with an arm's length commercial transaction between a willing buyer and willing seller. Many of the services that the Council provides for a fee are charged at below market value as they are subsidised by rates. Other services operate on a cost recovery or breakeven basis and are not considered to reflect a market return. Most of the Council's revenue is therefore categorised as non-exchange.

Specific accounting policies for major categories of revenue are outlined below. The Council undertakes various activities as part of its normal operations, some of which generate revenue, but generally at below market rates. The following categories (except where noted) are classified as transfers, which are non-exchange transactions other than taxes.

### Rates

Rates Revenue is recognised by Council as being revenue on the due date of each instalment. Rates are a tax as they are payable under the Local Government (Rating) Act 2002 and are therefore defined as non-exchange.

Water billing revenue is recognised on an accrual basis and are taxes that use a specific charging mechanism to collect the rate and are non-exchange revenue.

### Subsidies and grants

Waka Kotahi New Zealand Transport Agency financial assistance is recognised as revenue upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled.

Other grants and subsidies are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Other bequests, and assets vested in Council — with or without conditions — are recognised as revenue when control over the assets is obtained.

## Insurance proceeds

Insurance proceeds are recognised as revenue when the compensation becomes receivable. Claims accepted after balance date are not recognised where their receipt was not virtually certain.

## Development and financial contributions

Development and financial contributions are recognised as revenue when the Council provides, or is able to provide, the service for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

## Finance revenue

Interest revenue is included in finance revenue in the statement of comprehensive revenue and expense and recognised using the effective interest method.

## Other revenue

Dividends are recognised when the right to receive payment has been established and are classified as exchange revenue.

Revenue from fines and penalties (e.g. traffic and parking infringements, library overdue book fines, rates penalties) is recognised when infringement notices are issued or when the fines/penalties are otherwise imposed.

Revenue from the rendering of services where the service provided is non-exchange is recognised when the transaction occurs to the extent that a liability is not also recognised. Within rendering of services the only revenues considered to be exchange revenue are from Parking services (meter fees and permits) and commercial leases of some building assets. For these transactions the revenue is recognised by reference to the stage of completion of the transaction at the reporting date.

The sale of goods is classified as exchange revenue. Sale of goods is recognised when products are sold to the customer and all risks and rewards of ownership have transferred to the customer.

Investment property lease rentals (net of any incentives given) are classified as exchange revenue and recognised on a straight line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which benefits derived from the leased asset is diminished.

### Other gains and losses

Gains include additional earnings on the disposal of property, plant and equipment and movements in the fair value of financial assets and liabilities and are recognised as exchange revenue.

Vested Asset Revenue is recognised as non-exchange revenue when the maintenance period (where the developer is responsible for addressing maintenance items) ends and the asset is at the required standard to be taken over by Council.

### Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

### Derivative financial instruments

Derivative financial instruments are used to manage exposure to foreign exchange risks arising from the Council and group's operational activities and interest rate risks arising from the Council's and group's financing activities. In accordance with its treasury policies, the Council and group does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and, if so, the nature of the item being hedged.

The associated gains or losses on derivatives that are not hedge accounted are recognised in surplus or deficit

The full fair value of a hedge accounted derivative is classified as non-current if the remaining maturity of the hedged item is more than 12 months, and as current if the remaining maturity of the hedged item is less than 12 months.

The full fair value of a non-hedge accounted foreign exchange derivative is classified as current if the contract is due for settlement within 12 months of balance date; otherwise, foreign exchange derivatives are classified as non-current. The portion of the fair value of a non-hedge accounted interest rate derivative that is expected to be realised within 12 months of balance date is classified as current, with the remaining portion of the derivative classified as non-current.

### Grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of Council's decision.

### Leases

#### Finance leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, Council recognises finance leases as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

#### Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

### Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 90 days or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

### Receivables

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL).

The Council and group apply the simplified ECL model of recognising lifetime ECL for receivables.

In measuring ECLs, receivables have been grouped into rates receivables, and other receivables, and assessed on a collective basis as they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

Rates are "written-off":

- When remitted in accordance with the Council's rates remission policy; and
- In accordance with the write-off criteria of sections 90A (where rates cannot be reasonably recovered) and 90B (in relation to Māori freehold land) of the Local Government (Rating) Act 2002.

Other receivables are written-off when there is no reasonable expectation of recovery.

## Financial assets

Council classifies its financial assets into the following three categories: held-to-maturity investments, loans and receivables and financial assets at fair value through equity. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through surplus/deficit in which case the transaction costs are recognised in the surplus/deficit.

Loans, including loans to community organisations made by Council at nil, or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset/investment. They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the surplus/deficit as a grant.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, net asset booking, are used to determine fair value for the remaining financial instruments.

The four categories of financial assets are:

### 1. Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the surplus/deficit. Loans and receivables are classified as "trade and other receivables" in the Statement of Financial Position.

### 2. Held to maturity investments

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that Council has the positive intention and ability to hold to maturity.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the surplus/deficit.

Investments in this category include fixed term deposits and bonds.

### 3. Financial assets at fair value through the surplus or deficit

Derivatives held by Council are categorized in this group unless they are designated as hedges. After initial recognition, they are measured at their fair values. Gains or losses on re-measurement are recognised in the surplus/deficit. Council uses derivative financial instruments to hedge exposure to foreign exchange and interest rate risks arising from financing activities. In accordance with its treasury policy, Council does not hold or issue derivative financial instruments for trading purposes.

### 4. Financial assets at fair value through other comprehensive revenue and expense are those that are not designated as fair value through equity or are not classified in any of the other categories above

This category encompasses investments that Council intends to hold long-term but which may be realised before maturity.

After initial recognition these investments are measured at their fair value.

Gains and losses are recognised directly in other comprehensive revenue and expense except for impairment losses, which are recognised in the surplus/deficit. In the event of impairment, any cumulative losses previously recognised in other comprehensive revenue and expense will be reclassified and recognised in surplus/deficit even though the asset has not been derecognised.

On de-recognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

## Impairment of financial assets

At each balance date, Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. The total impairment loss is recognised in the surplus or deficit.

A provision for impairment of receivables is established when there is objective evidence that Council will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

## Other financial assets

Other financial assets (other than shares in subsidiaries) are initially recognised at fair value. They are then classified as, and subsequently measured under, the following categories:

- Amortised cost;
- Fair value through other comprehensive revenue and expense (FVTOCRE); or
- Fair value through surplus and deficit (FVTSD).

Transaction costs are included in the carrying value of the financial asset at initial recognition, unless it has been designated at FVTSD, in which case it is recognised in surplus or deficit.

The classification of a financial asset depends on its cash flow characteristics and the Council and group's management model for managing them.

A financial asset is classified and subsequently measured at amortised cost if it gives rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal outstanding, and is held within a management model whose objective is to collect the contractual cash flows of the asset.

A financial asset is classified and subsequently measured at FVTOCRE if it gives rise to cash flows that are SPPI and held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Financial assets that do not meet the criteria to be measured at amortised cost or FVTOCRE are subsequently measured at FVTSD. However, the Council and group may elect at initial recognition to designate an equity investment not held for trading as subsequently measured at FVTOCRE.

## Initial recognition of concessionary loans

Loans made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar financial instrument. For loans to community organisations, the difference between the loan amount and present value of the expected future cash flows of the loan is recognised in surplus or deficit as a grant expense.

## Subsequent measurement of financial assets at amortised cost

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less any expected credit losses. Where applicable, interest accrued is added to the investment balance. Instruments in this category include term deposits, community loans, and loans to subsidiaries and associates.

## Subsequent measurement of financial assets at FVTOCRE

Financial assets in this category that are debt instruments are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense, except expected credit losses (ECL) and foreign exchange gains and losses are recognised in surplus or deficit. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified to surplus and deficit. The Council and group do not hold any debt instruments in this category.

Financial assets in this category that are equity instruments designated as FVTOCRE are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense. There is no assessment for impairment when fair value falls below the cost of the investment. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred to accumulated funds within equity. The Council and group designate into this category all equity investments that are not included in its investment fund portfolio, and if they are intended to be held for the medium to long-term.

## Subsequent measurement of financial assets at FVTSD

Financial assets in this category are subsequently measured at fair value with fair value gains and losses recognised in surplus or deficit.

Interest revenue and dividends recognised from these financial assets are separately presented within revenue.

Instruments in this category include the Council and group's investment fund portfolio (comprising of listed shares, bonds, and units in investment funds) and LGFA borrower notes.

## Expected credit loss allowance (ECL)

The Council and group recognise an allowance for ECLs for all debt instruments not classified as FVTSD. ECLs are the probability-weighted estimate of credit losses, measured at the present value of cash shortfalls, which is the difference between the cash flows due to Council and group in accordance with the contract and the cash flows it expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

ECLs are recognised in two stages. ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). However, if there has been a significant increase in credit risk since initial recognition, the loss allowance is based on losses possible for the remaining life of the financial asset (Lifetime ECL).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Council and group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and



qualitative information and analysis based on the Council and group's historical experience and informed credit assessment and including forward-looking information.

The Council and group considers a financial asset to be in default when the financial asset is more than 90 days past due. The Council and group may determine a default occurs prior to this if internal or external information indicates the entity is unlikely to pay its credit obligations in full.

### Accounts receivable

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

### Inventory

Inventory held for distribution or consumption in the provision of services that are not supplied on a commercial basis is measured at the lower of cost, adjusted, when applicable, for any loss of service potential.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

When land held for development and future resale is transferred from investment property/property, plant, and equipment to inventory, the fair value of the land at the date of the transfer is its deemed cost.

Costs directly attributable to the developed land are capitalised to inventory, with the exception of infrastructural asset costs which are capitalised to property, plant, and equipment.

### Non-current assets held for sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

### Property, plant and equipment

Property, plant and equipment consist of:

#### 1. Infrastructure assets

Infrastructure assets are the fixed utility systems owned by Council. Each asset class includes all items that are required for the network to function, for example, sewer reticulation includes reticulation piping and sewer pump stations.

#### 2. Other fixed assets

These include land, buildings and breakwater and wharves.

#### Vested assets

Vested assets are those assets where ownership and control is transferred to the Council from a third party (e.g. infrastructure assets constructed by developers and transferred to the Council on completion of a subdivision). Vested assets are recognised within their respective asset classes.

#### Heritage assets

Heritage assets are tangible assets with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture. The Council recognises these assets within these financial statements to the extent their value can be reliably measured.

#### 3. Service Concession Assets

Assets used to provide public services in a service concession arrangement.

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

#### Recognition and measurement

Shown at cost or valuation, less accumulated depreciation and impairment losses.

Certain items of property, plant and equipment that had been revalued to fair value on or prior to 1 July 2005, the date of transition to NZ IFRS are measured on the basis of deemed cost, being the revalued amount at the date of transition.

#### Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired in a non-exchange transaction at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

#### Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the surplus/deficit. When

revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

### Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably.

### Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

| ASSET CLASS                          | DEPRECIATION METHOD | LIFE (YEARS) | %           |
|--------------------------------------|---------------------|--------------|-------------|
| Buildings:                           |                     |              |             |
| - Structure                          | Straight line       | 40 - 50      | 2.0 – 2.5   |
| - Fit Out                            | Straight line       | 10           | 5.0-10      |
| - Services                           | Straight line       | 15 - 30      | 3.33 – 6.67 |
| - Sundry (e.g. car parking)          | Straight line       | 10           | 10          |
| Aerodrome                            | Straight line       | 10 - 75      | 1.33 - 10   |
| Plant and machinery                  | Straight line       | 3 – 30       | 3 – 33      |
| Furniture and fittings               | Straight line       | 10           | 10          |
| Computer equipment                   | Straight line       | 3 – 8        | 12.5 – 33   |
| Library stocks                       | Straight line       | 8            | 12.5        |
| Breakwaters and wharves              | Straight line       | 40 – 50      | 2 – 2.5     |
| Reserve board assets                 | Not depreciated     | -            | -           |
| Landfill sites                       | Straight line       | 10 – 50      | 2 – 10      |
| Landfill capitalised aftercare costs | Straight line       | 8            | 12.5        |
| Water supply systems:                |                     |              |             |
| - Pipe network                       | Straight line       | 50 – 100     | 1 – 2       |
| - Pumps and electrical               | Straight line       | 10 – 80      | 1.25 – 10   |
| - Reservoirs                         | Straight line       | 60 – 80      | 1.67 – 10   |
| Drainage and sewerage:               |                     |              |             |
| - Pipe network                       | Straight line       | 50 – 100     | 1 – 2       |

| ASSET CLASS                            | DEPRECIATION METHOD | LIFE (YEARS) | %           |
|----------------------------------------|---------------------|--------------|-------------|
| - Pumps and electrical                 | Straight line       | 10 – 80      | 1.25 – 10   |
| - Ponds                                | Straight line       | 60           | 1.67        |
| Heritage assets                        | Straight line       | 40           | 2.5         |
| Roading networks:                      |                     |              |             |
| - Formation                            | Not depreciated     | -            | -           |
| - Pavement structure – sealed          | Straight line       | 40 – 50      | 2 – 2.25    |
| - Pavement structure – unsealed        | Straight line       | 3 – 22       | 4.5 – 33    |
| - Pavement surfacing                   | Straight line       | 8 – 16       | 6.25 – 12.5 |
| - Kerb and channelling                 | Straight line       | 50 – 150     | 0.67 – 2    |
| - Bridges                              | Straight line       | 15 – 100     | 2 – 6.67    |
| - Footpaths                            | Straight line       | 15 – 80      | 2 – 6.67    |
| - Drainage: surface water channels     | Straight line       | 10 – 80      | 1.25 – 10   |
| - Drainage: culverts and catch pits    | Straight line       | 50 – 150     | 0.67– 2     |
| - Traffic signs and pavement marking   | Straight line       | 5 – 15       | 0.67 – 20   |
| - Streetlights                         | Straight line       | 22 – 40      | 2.5 – 4     |
| Flood protection scheme                | Straight line       | 100          | 1           |
| Parking developments                   | Straight line       | 50           | 2           |
| Sports fields and parks (improvements) | Straight line       | 5 – 100      | 1 – 20      |
| Work in progress                       | Not depreciated     | -            | -           |

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

### Revaluation

The measurement base for each class of asset is described below. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.



## Valuation

| INFRASTRUCTURAL ASSETS  | VALUATION BASIS                        |
|-------------------------|----------------------------------------|
| Roading network         | Optimised depreciated replacement cost |
| Land under roads        | Deemed cost                            |
| Stormwater              | Optimised depreciated replacement cost |
| Flood protection system | Depreciated historical cost            |
| Sewerage                | Optimised depreciated replacement cost |
| Water supply systems    | Optimised depreciated replacement cost |
| Landfill Site           | Depreciated historical cost            |

| FIXED ASSETS            | VALUATION BASIS             |
|-------------------------|-----------------------------|
| General land            | Fair value                  |
| Other land              | Historical cost             |
| Buildings               | Fair value                  |
| Plant and machinery     | Depreciated historical cost |
| Furniture and fittings  | Depreciated historical cost |
| Computer equipment      | Depreciated historical cost |
| Library stocks          | Depreciated historical cost |
| Breakwater and wharves  | Depreciated historical cost |
| Aerodrome               | Fair value                  |
| Parking developments    | Depreciated historical cost |
| Reserve Board Assets    | Historical value            |
| Sports fields and parks | Deemed cost                 |
| Heritage assets         | Deemed cost                 |

## Accounting for revaluations

Council accounts for revaluations of property, plant and equipment on a class of asset basis.

The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the surplus/deficit.

Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the surplus/deficit will be recognised first in the surplus/deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

Those asset classes that are revalued are valued on a three yearly valuation cycle on the basis described above. All other asset classes are carried at depreciated historical cost. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

## Intangible Assets

### Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised in the surplus or deficit when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

### Investment property

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs.

After initial recognition, Council measures all investment property at fair value as determined.

Gains or losses arising from a change in the fair value of investment property are recognised in the surplus/deficit.

### Service Concession Arrangement

A service concession arrangement is a binding arrangement between a grantor and an operator, in which:

- the operator uses the service concession asset to provide a public service on behalf of the grantor for a specified period of time; and
- the operator is compensated for its services over the period of the service concession arrangement

Council is a grantor in a service concession arrangement concerning the Civic Centre. The building is recognised and measured as a separate class within property plant and equipment – please refer to accounting policy in above.

Council analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. Council recognises that asset when, and only when:

- Council controls or regulates the services that the operator must provide using the asset, to whom the operator must provide these services, and at what price; and
- In the case of assets other than 'whole-of-life' assets, Council controls – through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement.

Any assets so recognised are measured initially at their fair value and are recognised as a separate asset class within property, plant and equipment or intangible assets, as appropriate. Subsequent to initial recognition, service concession assets are measured using either the cost model or the revaluation model, as per PBE IPSAS 17 or PBE IPSAS 31.

PBE IPSAS 32 requires the grantor (public entity) to recognise the service concession asset and a corresponding liability on its statement of financial position. The liability can be a financial or other liability or a combination of the two depending on the nature of the compensation of the operator. A financial liability is recognised if the grantor compensates the operator by the delivery of cash or another financial asset. A non-financial liability is recognised if a right is granted to the operator to charge the users of the public service related to the service concession asset (liability for unearned revenue).

### Impairment of non-financial assets

Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the assets ability to generate net cash inflows and where the Council would, if deprived of the asset, replace its remaining future economic benefits or service potential.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus/deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus/deficit.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in surplus/deficit, a reversal of the impairment loss is also recognised in the surplus/deficit.

For assets not carried at a revalued amount (other than goodwill) the reversal of an impairment loss is recognised in the surplus/deficit.

### Payables and deferred revenue

Short term payables are recorded at the amount payable.

### Trade and other payables

Short-term creditors and other payables are recorded at their face value.

### Employee benefits

#### Short-term benefits

Employee benefits that Council expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken, at balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

#### Long-term benefits

#### Long service leave and retirement leave

Entitlements that are payable beyond 12 months, such as long service leave and retiring leave, have been calculated on an actuarial basis. The calculations are based on:

- Likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and
- The present value of the estimated future cash flows. A discount rate of 5.0% and an inflation factor of 2.5% were used. The discount rate is based on the weighted average of Government interest rates for stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees.

### Provisions

Council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can

be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

### Landfill post closure costs

Council has a legal obligation under its resource consent to provide on-going maintenance and monitoring services at the landfill site after closure. A provision for post closure costs is recognised as a liability when the obligation for post closure arises.

The provision is measured based on the present value of future cash flows expected to be incurred, taking into account future events including new legal requirements and known improvements in technology. The provision includes all costs associated with landfill post closure.

### Borrowings and other financial liabilities

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowing's balance.

Borrowings are classified as current liabilities unless the Council or group has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

### Finance leases

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item and the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty as to whether the Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

### Financial guarantee contracts

A financial guarantee contract requires the Council or group to make specified payments to reimburse the holder of the contract for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are initially recognised at fair value. If a financial guarantee contract was issued in a stand-alone arm's-length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received, the fair value of the liability is initially measured using a valuation technique, such as considering the credit enhancement arising from the guarantee or the probability that the Council will be required to reimburse a holder for a loss incurred discounted to present value. If the fair value of a financial guarantee cannot be reliably determined, a liability is recognised at the amount of the loss allowance determined in accordance with the ECL model described in Note 13.

Financial guarantees are subsequently measured at the higher of:

- the amount determined in accordance with the ECL model as described in Note 13; and
- the amount initially recognised less, when appropriate, cumulative amortisation as revenue.

### Equity

Equity is the community's interest in Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- Ratepayers equity (Retained earnings)
- Special funds reserves
- Trusts, bequests and other reserves
- Asset revaluation reserves

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council. Restricted reserves are those reserves subject to specific conditions accepted as binding by Council and which may not be revised by Council without reference to the courts or third parties. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met. Council created reserves are reserves established by Council decision. Council may alter them without reference to any third party or the courts. Transfers to and from these reserves are at the discretion of Council.

## Goods and service tax (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

## Cost allocation

Council has derived the cost of service for each significant activity of Council using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs, which cannot be identified in an economically feasible manner, with a specific significant activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage, staff numbers and floor area.

## Critical accounting estimates and assumptions

Please refer to PART E: Significant forecasting assumptions applied in the preparation of this plan for a full list of key assumptions and their potential effects.

In preparing these prospective financial statements, Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

### Landfill aftercare provision

The cash outflows for landfill post-closure are expected to occur between 2018 and 2048. The long term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and is discounted using a discount rate of 6%.

## Financial guarantees

The Council has agreed to act as a sole guarantor for a Westurf Recreation Trust loan, up to a maximum of \$200,000, for the purposes of upgrading their artificial turf at the Greymouth Hockey Stadium. This is contingent on final Council satisfaction on the project being financially sustainable. As at balance date the trust has not yet proceeded with uplifting of a loan, and has indicated to Council that they are unlikely to require the loan.

## Infrastructural assets

There are a number of assumptions and estimates used when performing Optimised Depreciation Replacement Cost (ODRC) valuations over infrastructural assets and property carried at fair value. These include:

- The physical deterioration and condition of an asset, for example Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets, which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- Estimating any obsolescence or surplus capacity of an asset; and
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or under estimating the annual depreciation charge recognised as an expense in the surplus/deficit. To minimise this risk, Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of Council's asset management planning activities, which gives Council further assurance over its useful life estimates.

Experienced independent valuers peer review Council's infrastructural asset revaluations.

## Critical judgements in applying Council's accounting policies

Management has exercised the following critical judgements in applying Council's accounting policies for these forecast financial statements:

### 1. Classification of property

Council owns a number of properties, which are maintained primarily to provide housing to elderly persons. The receipt of market-based rental from these properties is incidental to holding these properties. These properties are held for service delivery objectives as part of

Council's social housing policy. These properties are accounted for as property, plant and equipment.

## 2. Classification of leases

Council is the lessor on a large number of leases which include terms where the lessee can extend the lease into perpetuity. Council has determined that the risks and rewards of ownership is retained by the Grey District Council and therefore have classified the leases as operating leases.

## 3. Classification of property

Council's leasehold property has been classified as Investment Property as the primary purpose is to earn rental revenue for the Council and is not directly related to service delivery.

## Cost of service statements

The Cost of Service Statements, as provided in the Statement of Service Performance, report the net cost of services for significant activities of Council, and are represented by the costs of providing the service less all directly related revenue that can be allocated to these activities.

## Statement of cash flows

The following are the definitions of terms used in the statement of cash flows:

- "Operating Activities" include cash received from all revenue sources of Council and record the cash payments made for the supply of goods and services.
- "Investing Activities" are those activities relating to the acquisition, holding and disposal of property, plant and equipment and of investments. Investments can include securities not falling within the definition of cash.

- "Financing Activities" are those activities change the equity and debt capital structure of Council.
- "Cash" is considered to be cash on hand and cash at bank, and on-call deposits, net of overdrafts.

## Financial instruments

In January 2017, the XRB issued PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. PBE IFRS 9 is effective for annual periods beginning on or after 1 January 2021, with early application permitted. The main changes under PBE IFRS 9 are:

- New financial asset classification requirements for determining whether an asset is measured at fair value or amortised cost.
- A new impairment model for financial assets based on expected losses, which may result in the earlier recognition of impairment losses.
- Revised hedge accounting requirements to better reflect the management of risks.

The Council plans to apply this standard in preparing its 30 June 2022 financial statements. The Council has not yet assessed the effects of the new standard.

## Impairment of revalued assets

In April 2017, the XRB issued Impairment of Revalued Assets, which now clearly scopes revalued property, plant, and equipment into the impairment accounting standards. Previously, only property, plant, and equipment measured at cost were scoped into the impairment accounting standards.

# Funding impact statement and rates required

## Summary of overall required funding

The following statement sets out the total application of funds and the revenue and financing mechanisms to be used by Council, including the estimated amount (GST exclusive) to be produced by each mechanism:

|                                                                       | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|-----------------------------------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>[A] SOURCES OF OPERATING FUNDING</b>                               |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| General rates, uniform annual general charges, rates penalties        | 15,445                       | 16,497                      | 20,307                      | 22,032                      | 22,034                      | 24,147                      | 26,188                      | 28,254                      | 28,113                      | 29,469                      |
| Targeted rates                                                        | 9,676                        | 12,864                      | 12,018                      | 13,602                      | 17,718                      | 20,127                      | 21,298                      | 22,908                      | 24,551                      | 23,674                      |
| Subsidies and grants for operating purposes                           | 2,342                        | 3,491                       | 3,638                       | 3,749                       | 3,875                       | 3,988                       | 4,097                       | 4,206                       | 4,301                       | 4,400                       |
| Fees and charges                                                      | 6,271                        | 8,187                       | 8,423                       | 8,617                       | 8,822                       | 9,024                       | 9,224                       | 9,422                       | 9,622                       | 9,816                       |
| Internal charges and overheads recovered                              | 8,405                        | 8,255                       | 8,340                       | 8,629                       | 8,916                       | 9,227                       | 9,501                       | 9,773                       | 9,976                       | 10,173                      |
| Local authorities fuel tax, fines, infringement fees & other receipts | 775                          | 1,573                       | 1,761                       | 1,809                       | 1,853                       | 1,897                       | 1,940                       | 1,983                       | 2,025                       | 2,067                       |
| <b>Total sources of operating funding [A]</b>                         | <b>42,914</b>                | <b>50,867</b>               | <b>54,487</b>               | <b>58,437</b>               | <b>63,218</b>               | <b>68,410</b>               | <b>72,248</b>               | <b>76,546</b>               | <b>78,588</b>               | <b>79,599</b>               |
| <b>[B] APPLICATIONS OF OPERATING FUNDING</b>                          |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Payments to staff and suppliers                                       | 24,620                       | 36,076                      | 37,581                      | 38,767                      | 39,766                      | 40,635                      | 41,835                      | 42,633                      | 43,537                      | 44,521                      |
| Finance costs                                                         | 2,279                        | 1,997                       | 2,622                       | 3,442                       | 3,988                       | 4,330                       | 4,513                       | 4,685                       | 4,672                       | 4,501                       |
| Internal charges and overheads applied                                | 7,928                        | 7,475                       | 7,473                       | 7,715                       | 7,965                       | 8,236                       | 8,470                       | 8,702                       | 8,884                       | 9,059                       |
| Other operating funding applications                                  | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total applications of operating funding [B]</b>                    | <b>34,827</b>                | <b>45,548</b>               | <b>47,676</b>               | <b>49,924</b>               | <b>51,719</b>               | <b>53,201</b>               | <b>54,818</b>               | <b>56,020</b>               | <b>57,092</b>               | <b>58,081</b>               |
| <b>Surplus /(deficit) of operating funding [A] - [B]</b>              | <b>8,087</b>                 | <b>5,320</b>                | <b>6,810</b>                | <b>8,514</b>                | <b>11,499</b>               | <b>15,209</b>               | <b>17,430</b>               | <b>20,525</b>               | <b>21,496</b>               | <b>21,518</b>               |

**[C] SOURCES OF CAPITAL FUNDING**

|                                              |       |        |        |       |       |       |       |         |         |         |
|----------------------------------------------|-------|--------|--------|-------|-------|-------|-------|---------|---------|---------|
| Subsidies and grants for capital expenditure | 6,012 | 2,250  | 2,344  | 2,407 | 2,467 | 2,527 | 2,585 | 2,642   | 2,697   | 2,751   |
| Development and financial contributions      | 150   | 350    | 350    | 350   | 350   | 350   | 350   | 350     | 350     | 350     |
| Increase (decrease) in debt                  | 5,600 | 13,126 | 15,211 | 8,791 | 3,702 | 238   | 895   | (1,818) | (3,902) | (2,630) |
| Gross proceeds from sale of assets           | -     | -      | -      | -     | -     | -     | -     | -       | -       | -       |
| Lump sum contributions                       | -     | -      | -      | -     | -     | -     | -     | -       | -       | -       |
| Other dedicated capital funding              | -     | -      | -      | -     | -     | -     | -     | -       | -       | -       |

|                                             |               |               |               |               |              |              |              |              |              |            |
|---------------------------------------------|---------------|---------------|---------------|---------------|--------------|--------------|--------------|--------------|--------------|------------|
| <b>Total sources of capital funding [C]</b> | <b>11,762</b> | <b>15,726</b> | <b>17,905</b> | <b>11,549</b> | <b>6,519</b> | <b>3,115</b> | <b>3,830</b> | <b>1,174</b> | <b>(855)</b> | <b>471</b> |
|---------------------------------------------|---------------|---------------|---------------|---------------|--------------|--------------|--------------|--------------|--------------|------------|

**[D] APPLICATIONS OF CAPITAL FUNDING**

|                                    |        |         |        |        |        |        |        |        |        |        |
|------------------------------------|--------|---------|--------|--------|--------|--------|--------|--------|--------|--------|
| Capital expenditure                |        |         |        |        |        |        |        |        |        |        |
| —to meet additional demand         | -      | 2,350   | 1,062  | 2,442  | 36     | 823    | -      | -      | 116    | 2,967  |
| —to improve the level of service   | 2,110  | 10,039  | 13,824 | 6,798  | 5,579  | 3,647  | 5,801  | 5,040  | 4,892  | 2,890  |
| —to replace existing assets        | 16,239 | 9,873   | 10,678 | 11,189 | 12,153 | 13,396 | 14,485 | 16,345 | 15,048 | 15,751 |
| Increase (decrease) in reserves    | 1,500  | (1,216) | (849)  | (368)  | 250    | 458    | 974    | 314    | 585    | 382    |
| Increase (decrease) of investments | -      | -       | -      | -      | -      | -      | -      | -      | -      | -      |

|                                                  |               |               |               |               |               |               |               |               |               |               |
|--------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Total applications of capital funding [D]</b> | <b>19,849</b> | <b>21,045</b> | <b>24,715</b> | <b>20,062</b> | <b>18,018</b> | <b>18,324</b> | <b>21,260</b> | <b>21,699</b> | <b>20,641</b> | <b>21,989</b> |
|--------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|

|                                                        |                |                |                |                |                 |                 |                 |                 |                 |                 |
|--------------------------------------------------------|----------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Surplus /(deficit) of capital funding [C] - [D]</b> | <b>(8,087)</b> | <b>(5,320)</b> | <b>(6,810)</b> | <b>(8,514)</b> | <b>(11,499)</b> | <b>(15,209)</b> | <b>(17,430)</b> | <b>(20,525)</b> | <b>(21,496)</b> | <b>(21,518)</b> |
|--------------------------------------------------------|----------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|

|                                          |          |          |          |          |          |          |          |          |          |          |
|------------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| <b>Funding balance [A - B] + [C - D]</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> |
|------------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|

The total of the revenue sources expected are shown in the Budgeted Statement of Comprehensive Revenue and Expenditure and information is also shown in each Group of Activities Budgeted Cost of Service Statement.



## Reconciliation of funding impact statement to prospective statement of comprehensive revenue and expenditure

|                                                                              | 2025<br>Annual Plan<br>\$000 | 2026<br>LTP Year 1<br>\$000 | 2027<br>LTP Year 2<br>\$000 | 2028<br>LTP Year 3<br>\$000 | 2029<br>LTP Year 4<br>\$000 | 2030<br>LTP Year 5<br>\$000 | 2031<br>LTP Year 6<br>\$000 | 2032<br>LTP Year 7<br>\$000 | 2033<br>LTP Year 8<br>\$000 | 2034<br>LTP Year 9<br>\$000 |
|------------------------------------------------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Surplus / (deficit) of operating funding</b>                              | <b>8,087</b>                 | <b>6,909</b>                | <b>8,412</b>                | <b>10,288</b>               | <b>13,449</b>               | <b>17,293</b>               | <b>19,779</b>               | <b>21,045</b>               | <b>21,574</b>               | <b>21,164</b>               |
| <b>RECONCILING ITEMS</b>                                                     |                              |                             |                             |                             |                             |                             |                             |                             |                             |                             |
| Subsidies and grants for capital                                             | -                            | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Development and financial contributions                                      | 6,012                        | 2,303                       | 2,344                       | 2,407                       | 2,467                       | 2,527                       | 2,585                       | 2,642                       | 2,697                       | 2,751                       |
| Depreciation and amortisation expense                                        | 150                          | 350                         | 350                         | 350                         | 350                         | 350                         | 350                         | 350                         | 350                         | 350                         |
| Increase / (decrease) in reserves                                            | (11,655)                     | (13,876)                    | (15,492)                    | (16,244)                    | (16,653)                    | (18,170)                    | (18,655)                    | (19,219)                    | (20,860)                    | (21,339)                    |
| Depreciation                                                                 | 15                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| Internal charges applied                                                     | (1,500)                      | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           |
| <b>Total reconciliation items</b>                                            | <b>(6,978)</b>               | <b>(11,223)</b>             | <b>(12,798)</b>             | <b>(13,487)</b>             | <b>(13,836)</b>             | <b>(15,293)</b>             | <b>(15,720)</b>             | <b>(16,227)</b>             | <b>(17,812)</b>             | <b>(18,238)</b>             |
| <b>Surplus / (deficit) in Statement of Comprehensive Revenue and Expense</b> | <b>1,109</b>                 | <b>(4,315)</b>              | <b>(4,387)</b>              | <b>(3,199)</b>              | <b>(387)</b>                | <b>2,000</b>                | <b>4,058</b>                | <b>4,819</b>                | <b>3,762</b>                | <b>2,926</b>                |



## Financial reporting and prudence disclosures

### **LTP Disclosure Statement for the period commencing 1 July 2025**

Council is required to include this statement in its LTP in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014. Refer to the regulations for more information, including definitions of some of the terms used in this statement.

The purpose of this is to disclose the Council's financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities and general financial dealings.

These measures allow for comparison of financial performance with other Councils. However, readers are urged to read the commentary and explanations provided to give context to the information, as it is not always possible to compare Grey District Council's results with other Councils' due to their size, location and provision of services.

[a] Rates affordability benchmark

Council meets the rates affordability benchmark if:

- Actual or planned rates revenue for the year equals or is less than each quantified limit on rates; and
- Actual or planned rates increases for the year equal or are less than each quantified limit on rates increases.

Rates (increase) affordability (total planned rate revenue percentage increases)

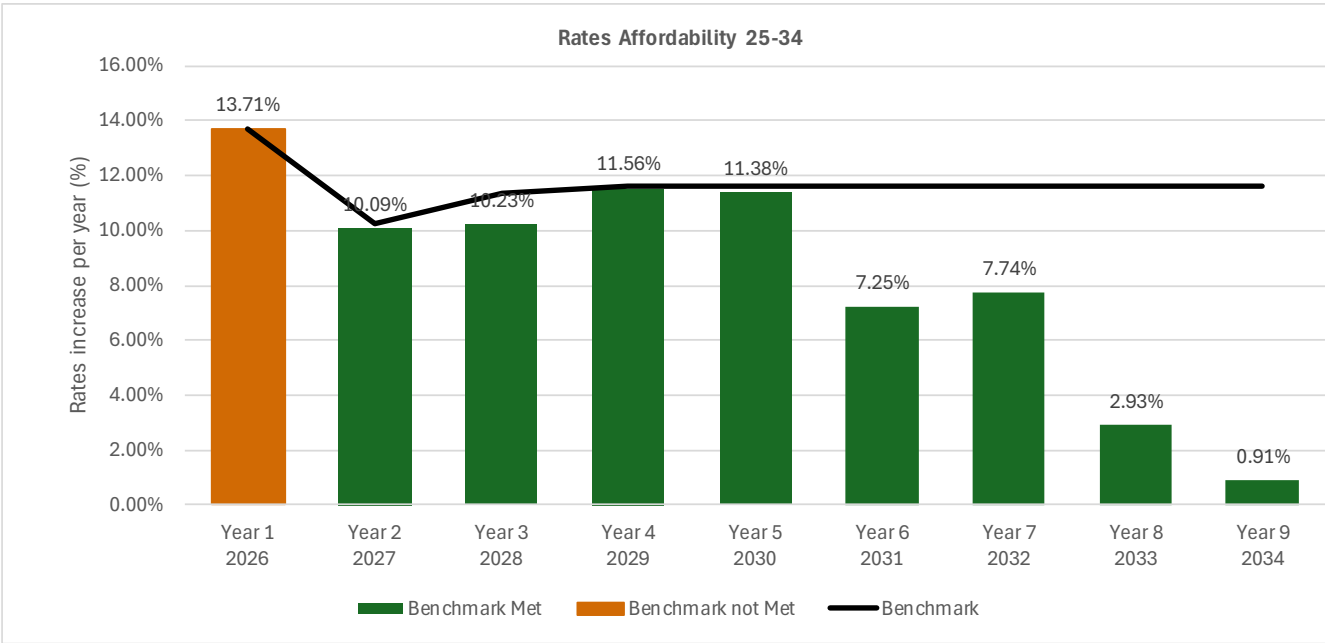
The limit as contained within Council’s Financial Strategy is for the total rate increase in any year to be no more than:

- 13.70% for Year 1;
- 10.9% for Year 2;
- 10.31% for Year 3; and
- Not exceed 11.6% for the remaining years.

The average rates across the nine years to be no more than 7.9%, inclusive of inflation.

Rates (income) affordability (quantified limits on rates revenue)

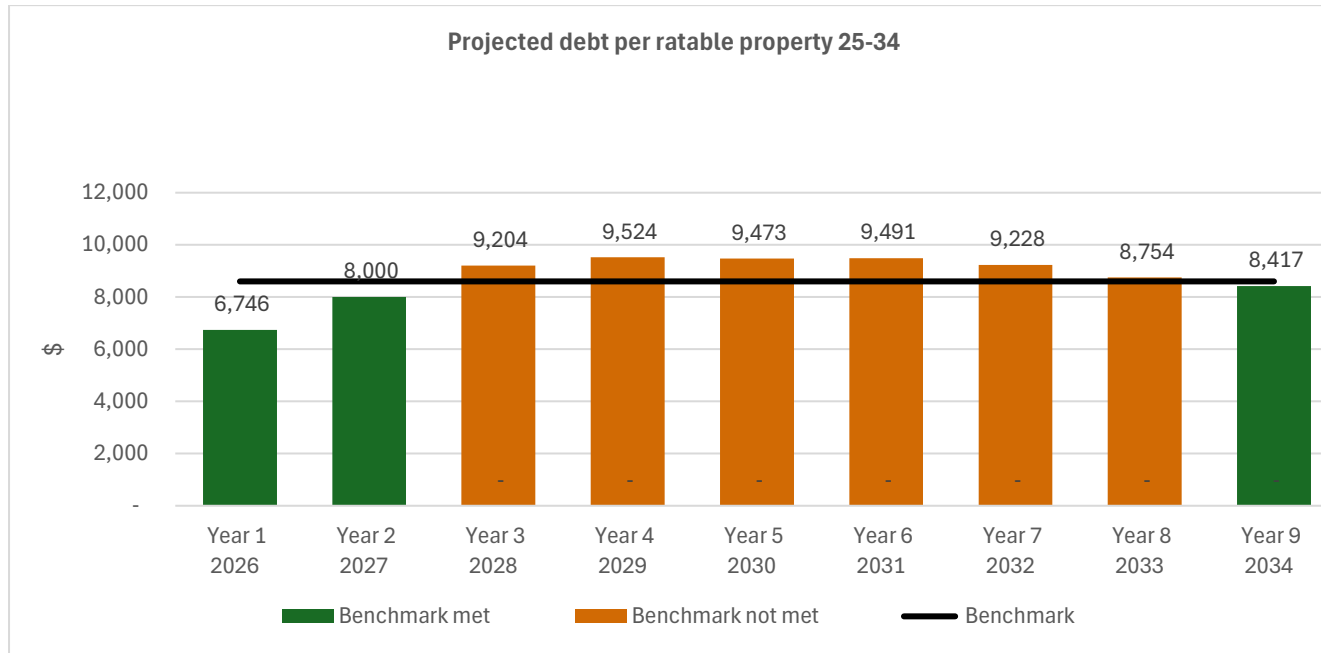
Taking into account the strategy limit of rate increases to be no higher than 13.70% for Year 1; 10.09% for Year 2; 10.31% for Year 3; and not exceed 11.60% for the remaining years (with the average rates across the nine years to be no more than 7.9%, inclusive of inflation), the following graph illustrates total forecast rate revenue compared against the upper limit.



## Debt affordability benchmarks

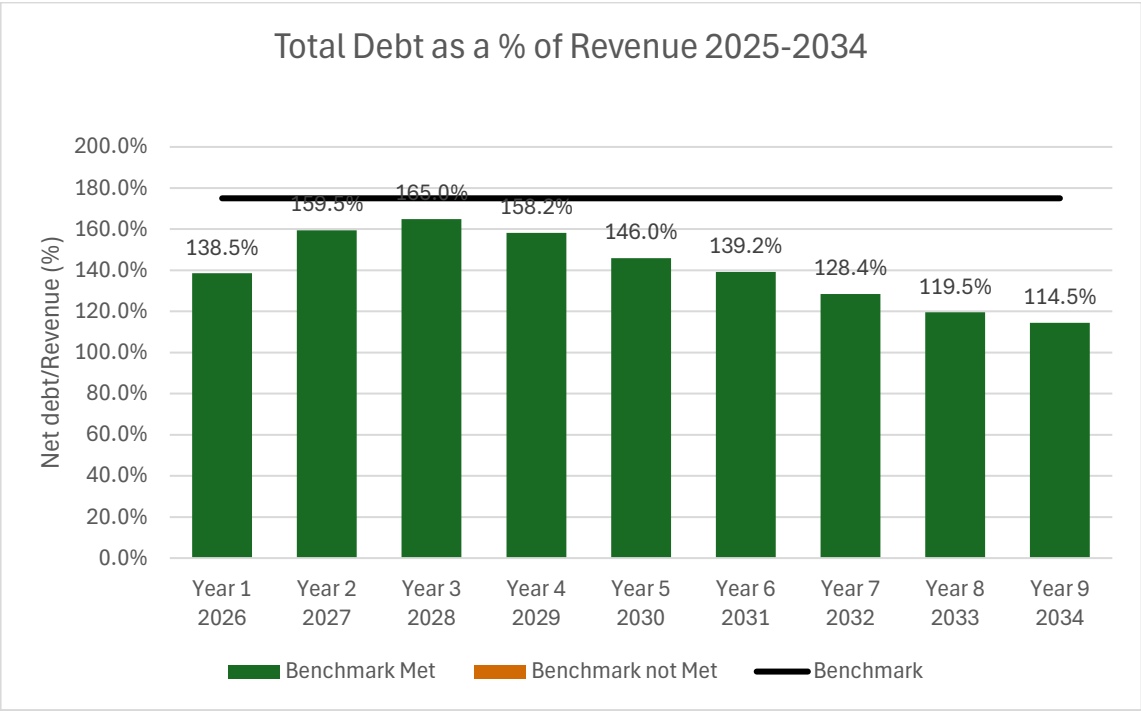
### Total planned debt per rateable property

The following graph displays the total planned debt per rateable property. Council's benchmark is for total debt per rateable property to remain less than \$8,600.



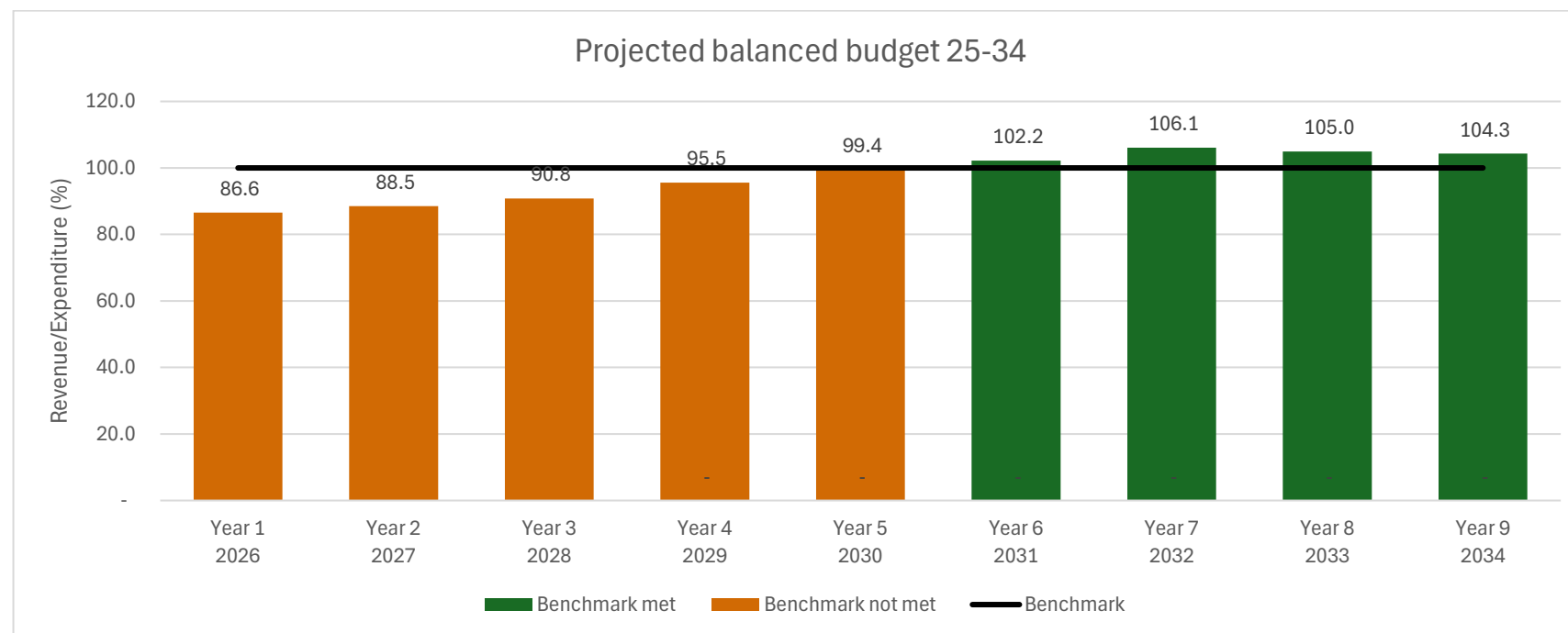
Net planned debt as a percentage of total actual revenue

The following graph displays net planned debt as a percentage of total planned revenue. Council’s benchmark is for total debt to remain less than 140% of total revenue.



### [c] Balanced budget benchmark

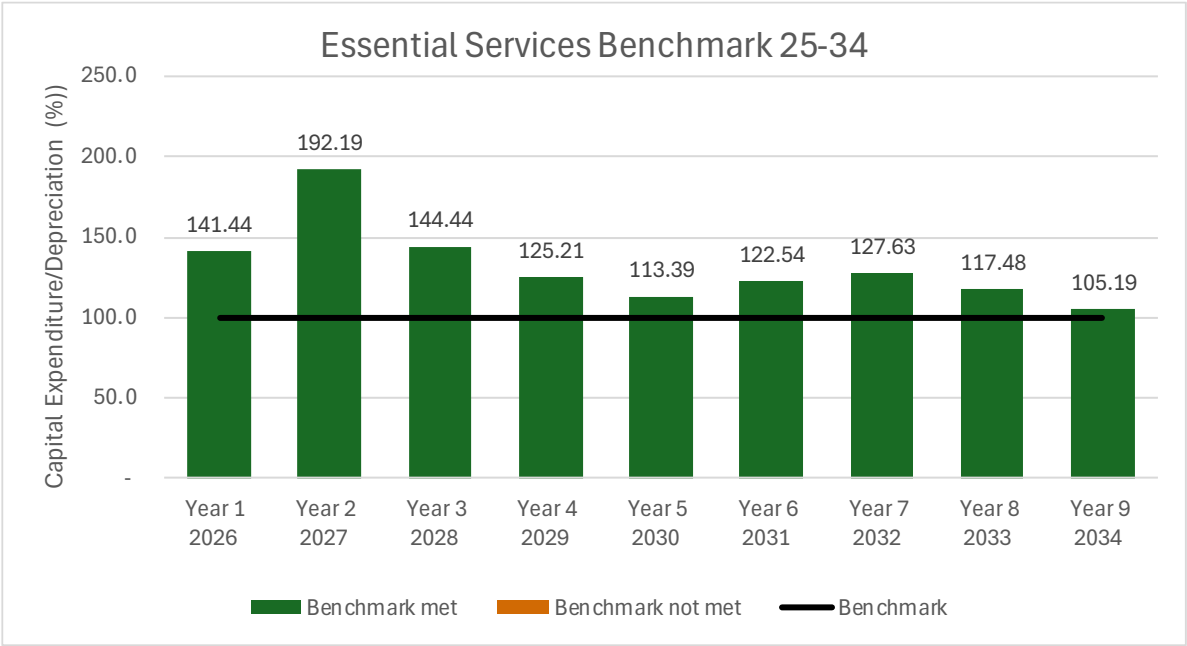
The following graph displays Council's planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant or equipment). The Council meets this benchmark if its revenue equals or is greater than its operating expense.



Please refer to PART C: Council's Financial Strategy for an explanation on why this benchmark was not met.

[d] Essential services benchmark

The following graph displays the Council’s planned capital expenditure on network services as a proportion of depreciation on network services.  
 Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.

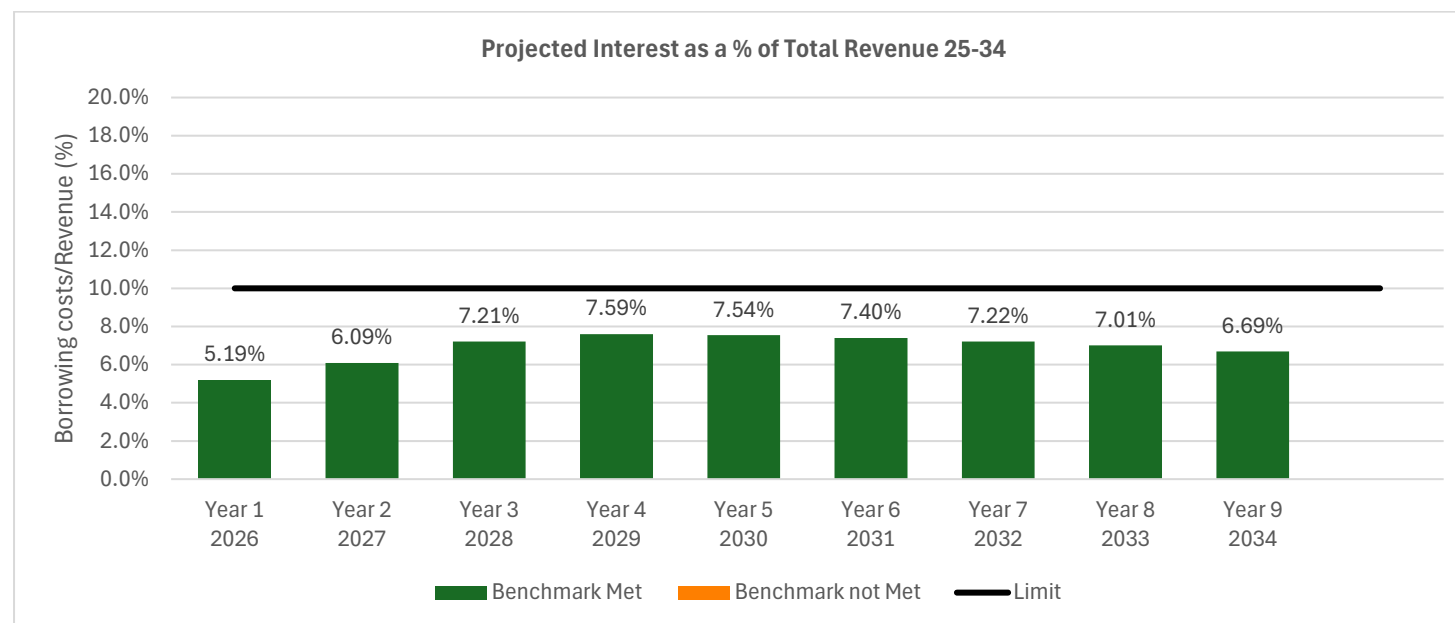


Please refer to PART C: Council’s Financial Strategy for an explanation on why this benchmark was not met.

**[e] Debt servicing benchmark**

The following graph displays the Council's planned borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant and equipment).

Council meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.



## Rates

Rates are assessed under the Local Government (Rating) Act 2002 on all rateable rating units in the Rating Information Database (RID). Where rates are set on value, the land value of the property will apply (except for the District Promotion targeted rate which is calculated on capital value).

The latest revaluation was carried out as at **01 September 2024** and was effective from the 2025/2026 rating year. District revaluations are carried out at a three yearly interval, with the next revaluation due in 2027.

Grey District Council rates are set on a number of factors, including land value, rating units, separate parts of rating units, connections to Council services, and capital value. These factors change from year to year as the District grows and with the three yearly District revaluation.

The following sections detail what factors Council uses to calculate rates and what the rates to be set per property are for 2025/2026.

### Policy objective

- To provide Council with adequate revenue to carry out its mission and objectives.
- To support the Council's achievement of its strategic objectives.
- To be simply administered, easily understood, allow for consistent application, and generate minimal compliance costs.
- To spread the incidence of rates as equitably as possible, by balancing the level of service provided by Council with ability to pay and the incidence of costs in relation to benefits received.
- To reflect the decisions of the Councils policies and rating reviews.

### Definition of 'separately used or inhabited part of a rating unit'

A separately used or inhabited part (SUIP) of a rating unit is defined as:

- Any part of a rating unit that which can be:
  - Separately let and/or permanently occupied; and
  - Used for separate purposes.

### These are separately used parts of a rating unit:

- A residential property that contains two or more separately occupiable units, flats or houses each of which is separately inhabited or is capable of separate habitation.
- Commercial premises which contain separate shops, kiosks or other retail or wholesale outlets, each of which is operated as a separate business or is capable of operation as a separate business.
- An office block which contains several sets of offices, each of which is used by a different business or which is capable of operation as separate businesses.
- Commercial premises which contain separate living quarters.

### Not separately used parts of a rating unit:

- A residential sleep-out or granny flat without independent kitchen facilities.
- A hotel room with or without kitchen facilities.
- Motel rooms with or without kitchen facilities.
- Individual storage garages/sheds/partitioned areas of a warehouse.
- Individual offices/premises of partners in a partnership.



## General rate

The Council sets a general rate under section 13 of the Local Government (Rating) Act 2002 on each rating unit in the District based on the land value. The general rate will be set on a differential basis based on land use as described as follows:<sup>5</sup>

### Residential

All properties in the District less than 4,000 square metres (0.4HA) and used primarily for residential purposes, split into the following zones:

- Residential Zone ONE (refer following Map of Rating Zones for location)
- Residential Zone TWO (refer following Map of Rating Zones for location)
- Residential Zone THREE (refer following Map of Rating Zones for location)

### Rural residential

All properties in the District greater than or equal to 4,000 square metres (0.4HA) and less than 50,000 square metres (5.0HA) and used primarily for residential purposes.

### Rural

All properties in the District greater than or equal to 50,000 square metres (5HA) and used primarily for residential purposes.

### Farming forestry

All properties in the District used primarily for farming and/or forestry purposes.

### Commercial

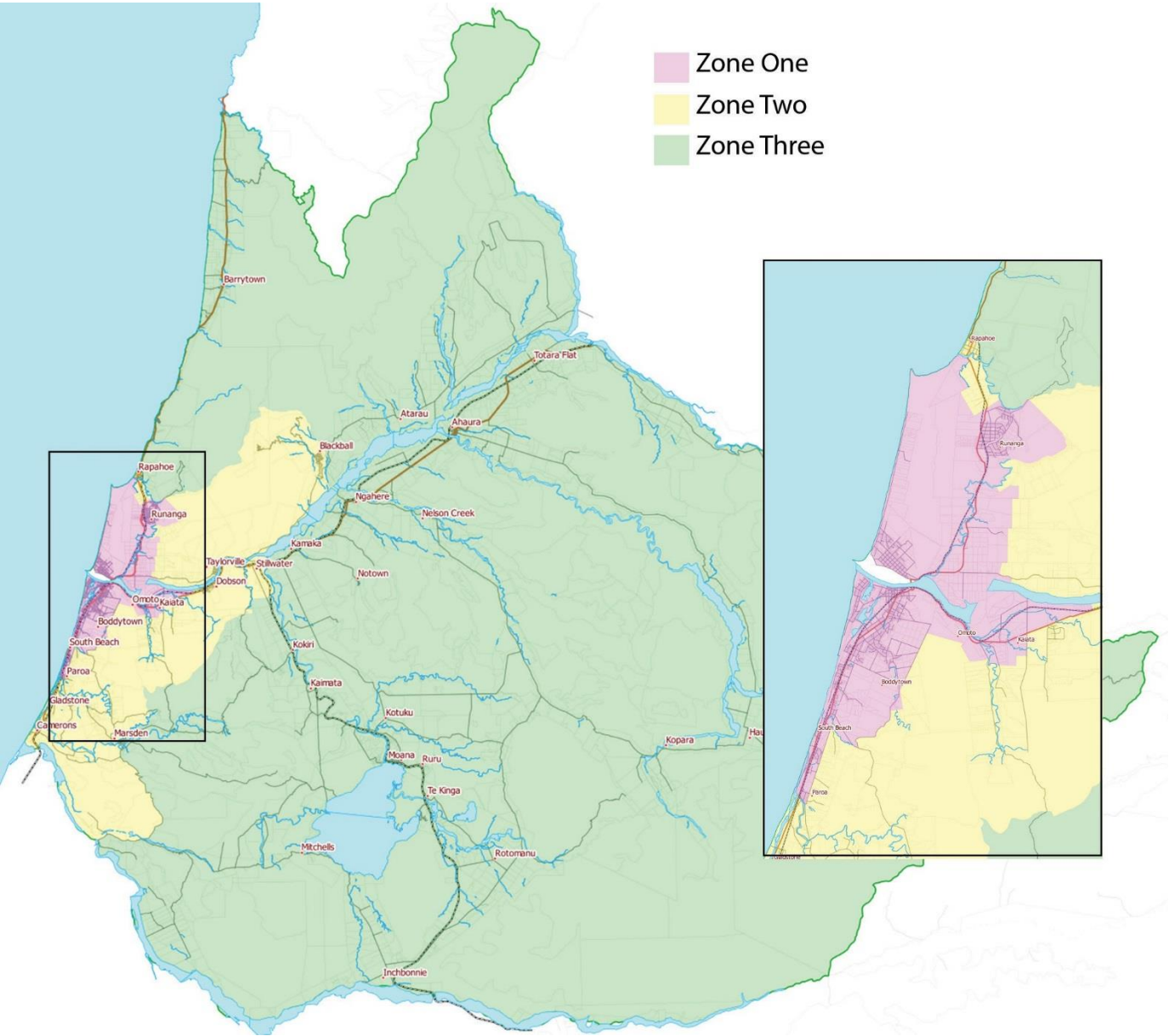
All properties in the District used primarily for commercial and/or industrial purposes and split into the following zones:

- Commercial Zone ONE (refer below Map of Rating Zones below for location)
- Commercial Zone TWO (refer below Map of Rating Zones below for location)
- Commercial Zone THREE (refer below Map of Rating Zones below for location)

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<sup>5</sup> Note: Where differing areas of a rating unit are used for different purposes Council will identify and then allocate physically discrete parts to the appropriate differential category; and Council's valuer will determine what portion of overall value is represented

Map of rating zones



## General rating differentials

### Rates per dollar of land value payable by each category

The General Rate is charged based on land value per rating unit as per section 15 of the Local Government (Rating) Act 2002. The Council sets a general rate to fund the rating input required (i.e. net funding requirements) for the following activities:

- Community Services - to provide funding towards Parks and Reserves, Theatres & Museums, Public Toilets, Cemeteries, In House Taskforce
- Environmental Services - to provide funding towards District Planning, Other Regulation (Liquor licencing, By-Law Enforcement etc.), Building Control, Health Regulation, Animal Control
- Land Transport - to provide funding towards expenditure on district roads and footpaths
- Solid Waste Management - to provide funding towards expenditure on the Mcleans Landfill facility and waste minimisation
- Other Transport - to provide funding towards Parking Facilities & Enforcement, Port Facilities, Greymouth Aerodrome
- Stormwater - to provide funding towards expenditure on Council stormwater infrastructure and flood protection related expenditure that Council is responsible for
- Economic Development - to provide funding towards Economic Development initiatives & projects (also funded via targeted rate)

#### The proposed rates for 2025/2026 are:

|                           |  | Residential<br>Zone 1 | Residential<br>Zone 2 | Residential<br>Zone 3 | Rural<br>Residential | Rural<br>Use     | Commercial<br>Zone 1 | Commercial<br>Zone 2 | Commercial<br>Zone 3 | Farming<br>Forestry |
|---------------------------|--|-----------------------|-----------------------|-----------------------|----------------------|------------------|----------------------|----------------------|----------------------|---------------------|
|                           |  |                       |                       |                       |                      |                  |                      |                      |                      |                     |
| <b>TOTAL GENERAL RATE</b> |  | <b>0.0078836</b>      | <b>0.0062679</b>      | <b>0.0033003</b>      | <b>0.0015497</b>     | <b>0.0052670</b> | <b>0.0191797</b>     | <b>0.0155730</b>     | <b>0.0146258</b>     | <b>0.0022133</b>    |

*Includes GST*

## Uniform annual general charge

The Uniform Annual General Charge is charged at one (1) full charge per rating unit as per section 15 of the Local Government (Rating) Act 2002. The Council sets a uniform annual general charge to fund the rating input required (i.e. net funding requirements) for the following activities:

- Aerodrome (part)
- Westland Recreation Centre
- Library
- Swimming Pools
- Council
- Consultation
- Access to Official Information
- Civil Defence & Emergency Management

**The proposed rate for 2025/2026 is:**

| UAGC | Annual Plan | LTP Year 1 |
|------|-------------|------------|
|      | 2024/2025   | 2025/2026  |
| Rate | 746.21      | 867.42     |

*Includes GST*

## Targeted rates

### Policy on accepting lump sum contributions

Council appreciates that the benefits of capital expenditure are more appropriately spread over the life of the period the benefit is available. On this basis, the preference is to loan fund the expenditure and meet the required loan repayments through revenue such as targeted rates. Council's policy therefore is not to accept lump sum contributions.

### Sewerage

The Council sets targeted rates under section 16 of the Local Government (Rating) Act 2002 for sewage disposal on the basis of one (1) targeted rate per separately used or inhabited part of a rating unit which is either connected to a Council scheme or for which a connection is available.

The charge will be set on a differential basis based on the availability of the service – either connected or serviceable.

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

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

The targeted rate includes:

- The operation and maintenance costs for Council schemes;
- The renewal costs for existing assets; and
- Capital costs (loan repayments of previous capital expenditure, and/or current capital expenditure costs, and/or development costs of capital expenditure).

The proposed rates for 2025/2026 are:

### Rating units classified as service available and connected

| WASTEWATER (SEWERAGE)                                      | Annual Plan | LTP Year 1 |
|------------------------------------------------------------|-------------|------------|
| Rating units classified as service available and connected | 2024/2025   | 2025/2026  |
| Blackball                                                  | 800.60      | 1,010.20   |
| Dobson/Taylorville/Kaiata - capital rate                   | 790.80      | 790.80     |
| Dobson/Taylorville/Kaiata - operating and maintenance rate | 331.70      | 418.50     |
| Greymouth                                                  | 864.80      | 1,091.20   |
| Karoro                                                     | 464.50      | 586.10     |
| Moana                                                      | 362.60      | 457.50     |
| Runanga                                                    | 361.30      | 455.90     |

|                   |          |          |
|-------------------|----------|----------|
| South Beach/Paroa | 412.90   | 521.00   |
| Te-Kinga          | 1,000.70 | 1,262.60 |
| South Beach Loan  | 432.20   | 432.20   |

**Rating units classified as service available and not connected**

| WASTEWATER (SEWERAGE)                                                 | Annual Plan | LTP Year 1 |
|-----------------------------------------------------------------------|-------------|------------|
| Rating units classified as service available and <u>not</u> connected | 2024/2025   | 2025/2026  |
| Blackball                                                             | 400.30      | 505.10     |
| Dobson/Taylorville/Kaiata - capital rate                              | 790.80      | 790.80     |
| Dobson/Taylorville/Kaiata - operating and maintenance rate            | 331.70      | 418.50     |
| Greymouth                                                             | 432.40      | 545.60     |
| Karoro                                                                | 232.25      | 293.05     |
| Moana                                                                 | 181.30      | 228.75     |
| Runanga                                                               | 180.65      | 227.95     |
| South Beach/Paroa                                                     | 412.90      | 521.00     |
| Te-Kinga                                                              | 500.35      | 631.30     |
| South Beach Loan                                                      | 432.20      | 432.20     |

**Pan charges**

| WASTEWATER (SEWERAGE)                                                                                  | Annual Plan | LTP Year 1 |
|--------------------------------------------------------------------------------------------------------|-------------|------------|
| Charge for each water closet (pan) or urinal connected to a public sewerage drain                      | 2024/2025   | 2025/2026  |
| Dobson/Taylorville/Kaiata - operating and maintenance rate used for commercial or educational purposes | 82.92       | 104.62     |
| Moana used for commercial or educational purposes                                                      | 90.65       | 114.37     |

|                                                      |        |        |
|------------------------------------------------------|--------|--------|
| Te-Kinga used for commercial or educational purposes | 250.17 | 315.65 |
|------------------------------------------------------|--------|--------|

*All wastewater rates include GST*

Note: Properties may be required to connect to the sewer Scheme where existing on-site disposal arrangements are deemed to create an environmental or health risk, irrespective whether the property falls within the ambit of this policy or not.

## Water supply

The Council sets targeted rates under section 16 of the Local Government (Rating) Act 2002 for water supply on the basis of one (1) targeted rate per separately used or inhabited part of a rating unit which is either connected to the scheme or for which a connection is available.

The charge will be set on a differential basis based on the availability of the service – either connected or serviceable.

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

The targeted rate includes:

- The operation and maintenance costs for Council schemes; and
- Capital costs (loan repayments of previous capital expenditure, and/or current capital expenditure costs, and/or development costs of capital expenditure)

The proposed rates for 2025/2026 are:

### **Rating units classified as service available and connected**

| <b>WATER</b>                                                      | <b>Annual Plan</b> | <b>LTP Year 1</b> |
|-------------------------------------------------------------------|--------------------|-------------------|
| <b>Rating units classified as service available and connected</b> | <b>2024/2025</b>   | <b>2025/2026</b>  |
| Blackball                                                         | 784.00             | 913.48            |
| Dobson/Taylorville                                                | 784.00             | 913.48            |
| Greymouth                                                         | 784.00             | 913.48            |
| Runanga                                                           | 718.70             | 857.40            |
| Kaiata                                                            | 665.20             | 795.06            |
| Stillwater                                                        | 784.00             | 913.48            |
| South Beach Water Loan                                            | 151.30             | 151.30            |

Rating units classified as service available and not connected

| WATER                                                                 | Annual Plan | LTP Year 1 |
|-----------------------------------------------------------------------|-------------|------------|
| Rating units classified as service available and <u>not</u> connected | 2024/2025   | 2025/2026  |
| Blackball                                                             | 392.00      | 456.74     |
| Dobson/Taylorville                                                    | 392.00      | 456.74     |
| Greymouth                                                             | 392.00      | 456.74     |
| Runanga                                                               | 359.40      | 428.69     |
| Kaiata                                                                | 332.60      | 397.53     |
| Stillwater                                                            | 392.00      | 456.74     |
| South Beach Water Loan                                                | 151.30      | 151.30     |

All water supply rates include GST

Metered water supply

The Council sets a metered water targeted rate under section 19 of the Local Government (Rating) Act 2002 per cubic metre of water supplied to any rating unit, that is classified as commercial/industrial, in excess of 75m3 per quarter where the volume supplied is in excess of 300m3 per annum.

The proposed rate for 2025/2026 is (for all water consumed in excess of 300m<sup>3</sup>):

| METERED WATER | Annual Plan | LTP Year 1 |
|---------------|-------------|------------|
|               | 2024/2025   | 2025/2026  |
| Rate          | 1.89        | 1.99       |

Includes GST



## Refuse and recycling collection

The Council sets targeted rates per separately used or inhabited part of a rating unit under section 16 of the Local Government (Rating) Act 2002 for refuse collection and kerbside recycling collection services. This rate will be set on a differential basis based on land use. The categories are:

- Commercial and industrial properties within the Greymouth CBD that receive a twice weekly refuse/recycling collection;
- Residential, township, commercial, industrial, rural, rural residential, recreational and/or farming properties, outside the Greymouth CBD that receive a weekly refuse/recycling collection; or
- Residential, township, commercial, industrial, rural, rural residential, recreational, and/or farming properties that receive a weekly refuse only collection.

One (1) targeted rate will apply per separately used or inhabited part of a rating unit that receives a kerbside recycling and/or refuse service.

The proposed rates for 2025/2026 are:

| REFUSE/RECYCLING COLLECTION                                                                                                                                                                   | Annual Plan | LTP Year 1 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|------------|
|                                                                                                                                                                                               | 2024/2025   | 2025/2026  |
| Residential, township, commercial, industrial, rural, rural residential, recreational, and/or farming properties that receive a weekly refuse only collection                                 | 383.24      | 603.64     |
| Residential, township, commercial, industrial, rural, rural residential, recreational, and/or farming properties, outside the Greymouth CBD that receive a weekly refuse/recycling collection | 383.24      | 603.64     |
| Commercial and industrial properties within the Greymouth CBD that receive a twice weekly refuse/recycling collection                                                                         | 724.33      | 1,140.89   |

*Includes GST*

Economic development rate – commercial and industrial properties

The Council sets a targeted rate under section 16 of the Local Government (Rating) Act 2002 to fund economic development opportunities in the District. The rate was previously called the 'District Promotion' rate, however it is used for a broader range of economic development activities. This is set on commercial and industrial properties.

The proposed rate for 2025/2026 is:

| ECONOMIC DEVELOPMENT | Annual Plan | LTP Year 1 |
|----------------------|-------------|------------|
|                      | 2024/2025   | 2025/2026  |
| Rate                 | 0.0007790   | 0.0009490  |

*Includes GST*

Economic development rate – bed and breakfast operators

The Council sets a targeted rate under section 16 of the Local Government (Rating) Act 2002 to fund economic development opportunities in the District on the basis of a one (1) charge per separately used or inhabited part of a non-commercial/industrial rating unit which is operating as a Bed and Breakfast, Homestay or Farmstay.

The proposed rate for 2025/2026 is:

| ECONOMIC DEVELOPMENT                | Annual Plan | LTP Year 1 |
|-------------------------------------|-------------|------------|
| Bed and Breakfast/Homestay/Farmstay | 2024/2025   | 2025/2026  |
| Rate                                | 425.58      | 470.00     |

*Includes GST*

## Early payment of rates

A discount of 2.5%, calculated on the Total Annual Levy, will apply where all due rates are paid in full, together with any outstanding prior years' rates and penalties, by 4.30pm on the due date for payment of the first instalment outlined below.

## Rates payable by instalment

|              | Due Date and Payable | FINAL Date for payment |
|--------------|----------------------|------------------------|
| Instalment 1 | 1 August 2025        | 31 August 2025         |
| Instalment 2 | 1 November 2025      | 30 November 2025       |
| Instalment 3 | 1 February 2026      | 28 February 2026       |
| Instalment 4 | 1 May 2026           | 31 May 2026            |

## Water meter rates payable by instalment

|              | Due Date and Payable | FINAL Date for payment |
|--------------|----------------------|------------------------|
| Instalment 1 | 1 October 2025       | 31 October 2025        |
| Instalment 2 | 1 January 2026       | 31 January 2026        |
| Instalment 3 | 1 April 2026         | 30 April 2026          |
| Instalment 4 | 1 July 2026          | 31 July 2026           |

## Penalties

| CURRENT RATES PENALTIES | PENALTY DATE     | Penalty incurred on current instalment balance outstanding |
|-------------------------|------------------|------------------------------------------------------------|
| Instalment 1 Penalty    | 1 September 2025 | 10%                                                        |
| Instalment 2 Penalty    | 1 December 2025  | 10%                                                        |
| Instalment 3 Penalty    | 1 March 2026     | 10%                                                        |
| Instalment 4 Penalty    | 1 June 2026      | 10%                                                        |

| WATER METER RATE PENALTIES | PENALTY DATE    | Penalty incurred on TOTAL balance outstanding |
|----------------------------|-----------------|-----------------------------------------------|
| Instalment 1 Penalty       | 1 November 2025 | 10%                                           |
| Instalment 2 Penalty       | 1 February 2026 | 10%                                           |
| Instalment 3 Penalty       | 1 May 2026      | 10%                                           |
| Instalment 4 Penalty       | 1 August 2026   | 10%                                           |

| RATES ARREARS PENALTIES | PENALTY DATE | Penalty incurred on TOTAL balance outstanding |
|-------------------------|--------------|-----------------------------------------------|
| Annual Penalty          | 4 July 2025  | 10%                                           |

Rate remission and postponement policies

Full copies of Council’s Rates Remission and Postponement Policies are available on request or from the website [www.greycdc.govt.nz](http://www.greycdc.govt.nz).

Rate types

Council collects general and targeted rates as outlined below.

|                                    |       | total rate requirement |
|------------------------------------|-------|------------------------|
|                                    |       | 2026                   |
|                                    |       | \$000                  |
| <hr/>                              |       |                        |
| GENERAL RATES                      |       |                        |
| Uniform Annual General Charge      |       | 6,052                  |
| General Rates - set on land value* |       |                        |
| Community Services                 | 2,452 |                        |
| Environmental Services             | 3,232 |                        |
| Solid Waste Management             | 586   |                        |
| Roading                            | 2,731 |                        |
| Stormwater                         | 669   |                        |
| Flood Protection                   | 426   |                        |
| Rural Fire                         | -     |                        |
| Total General Rate                 |       | 10,095                 |

\* (refer below for amount charged per differential category)

#### PENALTIES

|                |     |
|----------------|-----|
| Rate Penalties | 350 |
|----------------|-----|

#### total rate requirement

2026

\$000

#### TARGETED RATES ATTRIBUTABLE TO ACTIVITIES:

##### Economic Development

|                                                                       |     |
|-----------------------------------------------------------------------|-----|
| Commercial/Industrial properties - targeted rate set on capital value | 319 |
|-----------------------------------------------------------------------|-----|

|                                                      |    |
|------------------------------------------------------|----|
| Bed and Breakfast/Homestay/Farmstay - uniform charge | 18 |
|------------------------------------------------------|----|

##### Refuse Collection

Refuse only collection (bag collection) where available

|                                                                  |       |
|------------------------------------------------------------------|-------|
| Weekly Refuse/Recycling (wheelie bin) collection where available | 3,403 |
|------------------------------------------------------------------|-------|

|                                                                                                                           |     |
|---------------------------------------------------------------------------------------------------------------------------|-----|
| Commercial/Industrial properties: Twice Weekly Refuse/Recycling (wheelie bin) collection where available in Greymouth CBD | 193 |
|---------------------------------------------------------------------------------------------------------------------------|-----|

##### Sewerage Collection

|           |     |
|-----------|-----|
| Blackball | 184 |
|-----------|-----|

|           |       |
|-----------|-------|
| Greymouth | 3,060 |
|-----------|-------|

|        |     |
|--------|-----|
| Karoro | 207 |
|--------|-----|

|         |     |
|---------|-----|
| Runanga | 222 |
|---------|-----|

|                   |     |
|-------------------|-----|
| South Beach/Paroa | 164 |
|-------------------|-----|

|       |     |
|-------|-----|
| Moana | 128 |
|-------|-----|

|                                                            |     |
|------------------------------------------------------------|-----|
| Dobson/Taylorville/Kaiata - operating and maintenance rate | 126 |
|------------------------------------------------------------|-----|

|                                          |     |
|------------------------------------------|-----|
| Dobson/Taylorville/Kaiata - capital rate | 123 |
|------------------------------------------|-----|

|          |    |
|----------|----|
| Te-Kinga | 50 |
|----------|----|

|                  |    |
|------------------|----|
| South Beach Loan | 17 |
|------------------|----|

##### Water Supplies

|           |       |
|-----------|-------|
| Greymouth | 3,242 |
|-----------|-------|

|                        |               |
|------------------------|---------------|
| Runanga                | 505           |
| Dobson/Taylorville     | 255           |
| Stillwater             | 34            |
| Kaiata                 | 77            |
| Blackball              | 171           |
| South Beach Water Loan | 6             |
| Water Meter Rates      | 358           |
| <b>TOTAL RATES</b>     | <b>29,361</b> |

General rates calculated on land value payable per category

|                        | Residential | Residential | Residential | Rural       | Rural | Commercial | Commercial | Commercial | Farming  |
|------------------------|-------------|-------------|-------------|-------------|-------|------------|------------|------------|----------|
|                        | Zone 1      | Zone 2      | Zone 3      | Residential | Use   | Zone 1     | Zone 2     | Zone 3     | Forestry |
|                        | \$0         | \$0         | \$0         | \$0         | \$0   | \$0        | \$0        | \$0        | \$0      |
| Community Services     | 845         | 172         | 319         | 98          | 123   | 625        | 123        | 49         | 98       |
| Environmental Services | 1389        | 291         | 162         | 32          | 259   | 485        | 65         | 32         | 517      |
| Solid Waste Management | 198         | 59          | 59          | 82          | 18    | 94         | 29         | 12         | 35       |
| Roading                | 682         | 55          | 55          | 137         | 82    | 1010       | 164        | 27         | 519      |
| Stormwater             | 381         | 13          | 13          | 40          | 7     | 201        | 7          | 7          | 0        |
| Flood Protection       | 213         | 21          | 13          | 17          | 4     | 132        | 9          | 4          | 13       |

## Sample rate assessments based on this Plan

The Grey District has many varied types of rates assessments, based on:

- A differential rating system where the rates calculated on land value vary based on property use (e.g. residential vs. commercial); and
- Targeted rates for water and sewerage vary from township to township.

Please use these sample rates assessments as an indication of what changes to rates are required to meet the funding requirements of this plan. Please refer to the land value used on the general rates lines to reference how it may compare to your property. Note: The below examples include all of Council's adopted options for the key issues

### Residential

|                                       | ZONE 1            |                   |                   |                   |                   |                   |                   | ZONE 2            |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|                                       | Blaketown         | Cobden            | Greymouth         | Karoro            | Kaiata            | Paroa             | Runanga           | Blackball         |
| Land Value - 2021                     | \$72,000          | \$70,000          | \$127,000         | \$171,000         | \$90,000          | \$113,000         | \$62,000          | \$71,000          |
| Land Value - 2024                     | \$105,000         | \$105,000         | \$189,000         | \$230,000         | \$140,000         | \$170,000         | \$95,000          | \$105,000         |
| <b>Total rates 2024/2025</b>          | <b>\$3,622.86</b> | <b>\$3,599.40</b> | <b>\$4,268.05</b> | <b>\$4,383.90</b> | <b>\$3,972.91</b> | <b>\$3,651.92</b> | <b>\$2,936.85</b> | <b>\$3,347.31</b> |
| <b>General Rates (including UAGC)</b> | <b>\$1,695.20</b> | <b>\$1,695.20</b> | <b>\$2,357.43</b> | <b>\$2,680.66</b> | <b>\$1,971.13</b> | <b>\$2,207.64</b> | <b>\$1,616.36</b> | <b>\$1,525.55</b> |
| <b>Targeted Rates</b>                 | <b>\$2,608.32</b> | <b>\$2,608.32</b> | <b>\$2,608.32</b> | <b>\$2,103.22</b> | <b>\$2,608.00</b> | <b>\$2,038.12</b> | <b>\$1,916.94</b> | <b>\$2,527.32</b> |
| <b>PROPOSED RATES 2025/2026</b>       | <b>\$4,303.52</b> | <b>\$4,303.52</b> | <b>\$4,965.75</b> | <b>\$4,783.88</b> | <b>\$4,579.13</b> | <b>\$4,245.76</b> | <b>\$3,533.30</b> | <b>\$4,052.87</b> |
| % increase                            | 18.79%            | 19.56%            | 16.35%            | 9.12%             | 15.26%            | 16.26%            | 20.31%            | 21.08%            |
| \$ increase                           | \$680.66          | \$704.12          | \$697.70          | \$399.98          | \$606.22          | \$593.84          | \$596.45          | \$705.56          |
| <b>Increase per week</b>              | <b>\$13.09</b>    | <b>\$13.54</b>    | <b>\$13.42</b>    | <b>\$7.69</b>     | <b>\$11.66</b>    | <b>\$11.42</b>    | <b>\$11.47</b>    | <b>\$13.57</b>    |
| <b>Increase per day</b>               | <b>\$1.86</b>     | <b>\$1.93</b>     | <b>\$1.91</b>     | <b>\$1.10</b>     | <b>\$1.66</b>     | <b>\$1.63</b>     | <b>\$1.63</b>     | <b>\$1.93</b>     |

|                                       | ZONE 2            |                   |                   |                   |                   | ZONE 3            |                   |                   |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|                                       | Camerons          | Dobson            | Gladstone         | Rapahoe           | Taylorville       | Ahaura            | Moana             | Ngahere           |
| Land Value - 2021                     | \$66,000          | \$65,000          | \$144,000         | \$132,000         | \$58,000          | \$55,000          | \$350,000         | \$41,000          |
| Land Value - 2024                     | \$120,000         | \$130,000         | \$200,000         | \$150,000         | \$90,000          | \$95,000          | \$640,000         | \$65,000          |
| <b>Total rates 2024/2025</b>          | <b>\$1,718.12</b> | <b>\$3,615.70</b> | <b>\$2,413.81</b> | <b>\$3,025.58</b> | <b>\$3,553.26</b> | <b>\$1,405.72</b> | <b>\$3,250.14</b> | <b>\$1,335.40</b> |
| <b>General Rates (including UAGC)</b> | <b>\$1,619.57</b> | <b>\$1,682.25</b> | <b>\$2,121.00</b> | <b>\$1,807.61</b> | <b>\$1,431.53</b> | <b>\$1,180.95</b> | <b>\$2,979.63</b> | <b>\$1,081.94</b> |
| <b>Targeted Rates</b>                 | <b>\$603.64</b>   | <b>\$2,726.42</b> | <b>\$603.64</b>   | <b>\$1,461.04</b> | <b>\$2,726.42</b> | <b>\$603.64</b>   | <b>\$1,061.14</b> | <b>\$603.64</b>   |
| <b>PROPOSED RATES 2025/2026</b>       | <b>\$2,223.21</b> | <b>\$4,408.67</b> | <b>\$2,724.64</b> | <b>\$3,268.64</b> | <b>\$4,157.95</b> | <b>\$1,784.59</b> | <b>\$4,040.77</b> | <b>\$1,685.58</b> |
| % increase                            | 29.40%            | 21.93%            | 12.88%            | 8.03%             | 17.02%            | 26.95%            | 24.33%            | 26.22%            |
| \$ increase                           | \$505.09          | \$792.97          | \$310.83          | \$243.06          | \$604.69          | \$378.87          | \$790.63          | \$350.18          |
| <b>Increase per week</b>              | <b>\$9.71</b>     | <b>\$15.25</b>    | <b>\$5.98</b>     | <b>\$4.67</b>     | <b>\$11.63</b>    | <b>\$7.29</b>     | <b>\$15.20</b>    | <b>\$6.73</b>     |
| <b>Increase per day</b>               | <b>\$1.38</b>     | <b>\$2.17</b>     | <b>\$0.85</b>     | <b>\$0.67</b>     | <b>\$1.66</b>     | <b>\$1.04</b>     | <b>\$2.17</b>     | <b>\$0.96</b>     |



## Rural/Farming

|                                       | RURAL<br>RESIDENTIAL<br>(Coast Road)                                                                    | RURAL USE<br>(Rutherglen)                                                                     | FARMING/FORESTRY<br>(Taylorville)                   | FARMING<br>FORESTRY<br>(Mitchells)                  | FARMING<br>FORESTRY<br>(Rapahoe)                    |
|---------------------------------------|---------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------|
|                                       | 4,000 square metres (0.4HA) to 50,000 square metres (5.0HA) and used primarily for residential purpose) | Greater than or equal to 50,000 square metres (5HA) & used primarily for residential purposes | Used primarily for farming and/or forestry purposes | Used primarily for farming and/or forestry purposes | Used primarily for farming and/or forestry purposes |
| Land Value - 2021                     | \$205,000                                                                                               | \$235,000                                                                                     | \$4,730,000                                         | \$4,430,000                                         | \$55,000                                            |
| Land Value - 2024                     | \$310,000                                                                                               | \$215,000                                                                                     | \$5,400,000                                         | \$4,480,000                                         | \$155,000                                           |
| <b>Total rates 2024/2025</b>          | <b>\$1,566.18</b>                                                                                       | <b>\$2,443.01</b>                                                                             | <b>\$13,856.57</b>                                  | <b>\$12,307.18</b>                                  | <b>\$889.74</b>                                     |
| <b>General Rates (including UAGC)</b> | <b>\$1,347.81</b>                                                                                       | <b>\$1,999.83</b>                                                                             | <b>\$12,819.34</b>                                  | <b>\$10,783.09</b>                                  | <b>\$1,210.48</b>                                   |
| <b>Targeted Rates</b>                 | <b>\$603.64</b>                                                                                         | <b>\$603.64</b>                                                                               | <b>\$1,207.28</b>                                   | <b>\$0.00</b>                                       | <b>\$0.00</b>                                       |
| <b>PROPOSED RATES 2025/2026</b>       | <b>\$1,951.46</b>                                                                                       | <b>\$2,603.47</b>                                                                             | <b>\$14,026.63</b>                                  | <b>\$10,783.09</b>                                  | <b>\$1,210.48</b>                                   |
| % increase                            | 24.60%                                                                                                  | 6.57%                                                                                         | 1.23%                                               | -12.38%                                             | 36.05%                                              |
| \$ increase                           | \$385.28                                                                                                | \$160.46                                                                                      | \$170.06                                            | -\$1,524.09                                         | \$320.74                                            |
| <b>Increase per week</b>              | <b>\$7.41</b>                                                                                           | <b>\$3.09</b>                                                                                 | <b>\$3.27</b>                                       | <b>-\$29.31</b>                                     | <b>\$6.17</b>                                       |
| <b>Increase per day</b>               | <b>\$1.06</b>                                                                                           | <b>\$0.44</b>                                                                                 | <b>\$0.47</b>                                       | <b>-\$4.18</b>                                      | <b>\$0.88</b>                                       |

## Commercial/Industrial

|                                       | COMMERCIAL/INDUSTRIAL       |                   |                   |                    |
|---------------------------------------|-----------------------------|-------------------|-------------------|--------------------|
|                                       | Greymouth                   | Greymouth         | Blackball         | Moana              |
|                                       | (two separate rating units) | (one rating unit) |                   |                    |
| Land Value - 2021                     | \$282,000                   | \$55,000          | \$76,000          | \$280,000          |
| Capital value - 2021                  | \$696,000                   | \$161,000         | \$180,000         | \$550,000          |
| Land Value - 2024                     | \$273,000                   | \$69,000          | \$100,000         | \$510,000          |
| Capital value - 2024                  | \$813,000                   | \$200,000         | \$205,000         | \$730,000          |
| <b>Current Rates</b>                  | <b>\$12,060.76</b>          | <b>\$4,420.07</b> | <b>\$4,568.47</b> | <b>\$7,794.76</b>  |
| <b>General Rates (including UAGC)</b> | <b>\$6,103.48</b>           | <b>\$2,190.82</b> | <b>\$2,785.39</b> | <b>\$10,649.08</b> |
| <b>Targeted Rates</b>                 | <b>\$7,004.93</b>           | <b>\$3,321.17</b> | <b>\$2,707.31</b> | <b>\$1,702.06</b>  |
| <b>PROPOSED RATES 2025/2026</b>       | <b>\$13,108.42</b>          | <b>\$5,511.98</b> | <b>\$5,492.69</b> | <b>\$12,351.13</b> |
| % increase                            | 8.69%                       | 24.70%            | 20.23%            | 58.45%             |
| \$ increase                           | \$1,047.66                  | \$1,091.91        | \$924.22          | \$4,556.37         |
| <b>Increase per week</b>              | <b>\$20.15</b>              | <b>\$21.00</b>    | <b>\$17.77</b>    | <b>\$87.62</b>     |
| <b>Increase per day</b>               | <b>\$2.87</b>               | <b>\$2.99</b>     | <b>\$2.53</b>     | <b>\$12.48</b>     |

# PART G: Other Information

## Māori contribution to decision-making processes in the Grey District

Through a specific activity, “Efficient and Open Consultation”, Council has set specific performance targets relating to the establishment and maintenance of processes in providing opportunities for Māori to contribute to the decision making processes of the Grey District Council.

At their meeting on 8 April 2019, Grey District Council confirmed the Memorandum of Understanding between Council and Te Runanga O Ngāti Waewae, paving the way for greater acknowledgement of the important role of Māori in our District, both historically and into the future.

The Memorandum was officially signed at the Council meeting on 13 May 2019, at which time the Runanga Chairperson, Mr Francois Tumahai, took a seat at the Council table as part of an informal arrangement pending formalisation at the next Electoral Representation Review. This Memorandum remains current today.

## Council Controlled Organisations (CCO’s)

### West Coast Amateur Sports Trust

The above organisation is a Council Controlled Organisation by virtue of the fact that the Mayors of the three West Coast local authorities have nominated the respective District representatives on the Trust. This has happened ‘informally’ and there has been no formal Council involvement and no set policies or objectives with regard to control of this organisation or specific key performance targets or other measures have been put in place. The CCO status of the Trust has only recently come to Council’s attention and steps are in place to change the Trust Deed to remove the right of local authorities to control the votes on the Trust.

# PART H: Policies

# Revenue & Financing Policy

Last reviewed 24 March 2025

## 1. Policy purpose

The purpose of the Revenue & Financing Policy is to provide predictability and certainty about sources and levels of funding available to the Council. It explains the rationale for, and the process of, selecting various tools to fund the operating and capital expenditures of the Council.

## 2. Introduction

The Revenue & Financing Policy is used for the Grey District Council 2025-2034 Long Term Plan and subsequent Long Term Plans. This policy is largely the same as was used in Council's previous Long Term Plan. Council is therefore proposing no significant changes.

## 3. General policies on funding and sources of funding

### The distribution of benefits

For the purpose of allocation of costs of each Council activity among individuals, groups of individuals and the entire community, it is essential to identify the beneficiaries and the relevant cost of the service used. Economic theory provides three concepts that could be applied to share costs according to beneficiaries.

#### Public Goods

At one extreme are the pure public goods which have two defining characteristics: non-rivalry and non-excludability.

Non-rivalry means that consumption by one party does not reduce the amount of that good or service available to others. In other words, there is no extra cost involved in the consumption of such good or service increases. The cost is not related to the amount consumed (e.g. Libraries).

Non-excludability means that it is impossible or extremely costly and difficult to exclude anyone from consuming if they do not pay for the good or the service.

If a good or service has both these two characteristics, it is a pure public good and it will not be possible to allocate the costs to the users of the good or the service.

Because of this, the costs of such goods and services need to be borne by the public as a whole (through rates). Parks and reserves are an example of a service that has the characteristics of a public good.

#### Private Goods

At the other extreme are the pure private goods that have the opposite characteristics – rivalry and excludability. If the service provided by Council benefits identifiable parties and the costs related to the services used by them can be allocated directly to them, such services are called private goods. The costs of these services can be recovered from the consumers in the form of user charges or targeted rates.

#### Positive Externalities

The consumption of private goods and services can result in benefits to third parties – people who don't directly use them. These "spill over effects" or "positive externalities" are also called **public** or **social benefits**. They might include the contribution that public toilets make to tourism, libraries, museums and parks make to the social and cultural life and vibrancy of a city. The existence of externalities call for the sharing of costs between the private beneficiaries and the community as a whole.

The differentiation of private and public goods and the identification of externalities are necessary for the strict apportionment of costs between private beneficiaries and the community as a whole. However, a clear differentiation is not easy because, in reality, very few goods and services can be treated as pure private or public; most goods and services have some characteristics of both private and public goods (mixed goods). This leads to the adoption of a mix of funding mechanisms.

### General rates and differentials

Council uses general rates as the main source of funding of activities where individual beneficiaries cannot be identified and the allocation of costs to them is not practical or cost effective; or where a part of the benefits accrue to the whole community (directly or indirectly as externalities).

The general rates are split into two categories:

1. The Uniform Annual General Charge – which is a fixed charge per rating unit, the whole District pays the same amount; and

## 2. General rates – calculated on property value.

In its decision making on rating policies, including differentials, Council has considered the factors set out in the Local Government Act 2002.

### Choice of rating system

Council uses the Land Value system to apportion the general rates that are calculated on property value. That is, the total rate requirement arrived at through the Annual Plan process is allocated to properties on the basis of their land value.

Council has considered which rating system is:

- Fairest for most people;
- Easiest for people to understand;
- Efficient for Council to administer; and
- Supported by the public.

In late 2008 public consultation indicated that there was a strong preference in the community for land value rating. Council therefore resolved to continue to rate based on land value.

### Rating differentials

Council has considered the level of benefit from all of Council's services and has attempted to identify any major differences in benefit between different categories of ratepayers.

This is a difficult exercise as each individual ratepayer uses, or benefits from, a slightly different mix of Council services. Some people use libraries more than average, while others make greater use of the District's roads. Also, every ratepayer is a stakeholder in the future of the District and will therefore benefit to some extent from the provision of services such as libraries and roads which create a District worth living in.

### Operating expenditure

Where expenditure does not create a new asset for future use, or extend the lifetime or usefulness of an existing asset, it is classed as operating expenditure. Most of Council's day-to-day expenditure comes into this category. Council generates sufficient cash inflow from revenue sources (including rates) to meet cash outflow requirements for operating expenditure over the long term.

Operating expenditure includes the overhead costs. The way in which Council allocates its overheads to different areas of Council operation is important for the Revenue and Financing Policy, particularly for services that are funded fully or mostly from user charges. For these services it is important that overheads are generally allocated on a similar basis as if these services were being operated by the private sector – otherwise users may be asked to pay too much.

Council also faces a number of costs that the private sector does not. These costs (such as running Council meetings and holding elections, as well as legal and policy advice, advocacy and consultation) are not treated as an overhead but rather treated as activities in their own right and are funded on a stand-alone basis.

Operational expenditure includes depreciation.

Each funding method is described in more detail below, including the situations in which Council will use each method.

### General rates

Funding from general rates is applied to those activities where it has been deemed that there is a general District-wide benefit to providing the service or where there would be an economic inefficiency to implement a targeted rate.

### Targeted rates

Funding from targeted rates is applied to specific activities where it has been deemed that there is a direct benefit to those ratepayers receiving a particular service (e.g. Council reticulated water supply).

### Fees and charges

Where Council has deemed there is a direct or partial benefit to the end user (e.g. building control), it is done through fees and charges. For activities where enforcement action is necessary, the "exacerbator pays principle" applies where practical.

The price of the service is set taking account of a number of factors. These could include:

- The cost of providing the service.
- The estimation of the users' private benefit from using the service
- The impact the cost has to encourage or discourage behaviours.
- The impact the cost has on demand for the service.
- Market pricing, including comparability with other councils.
- The impact of rates subsidies if competing with local businesses.

- The cost and efficiency of revenue collection mechanisms.
- The impact of affordability on users.
- Other matters as determined by the Council.

### Interest

Council receives the majority of its interest relating to the special funds it has set aside. The interest earned on these funds is transferred to the special funds balances. A small amount of interest is returned from time to time where Council has excesses of cash on hand, which is used to offset administration (internal) costs.

### Borrowing

Not generally used for operating expenditure.

### Proceeds from asset sales

A few assets – a very small fraction of Council's total value – do not currently make a contribution to the identified community outcomes, except in terms of the revenue they generate. In these cases, the benefit to Council and the community from owning the asset is measurable simply as the rate of return.

Council will consider selling such assets where the rate of return from owning the asset is lower than the financial benefit to ratepayers of selling and of using the proceeds of sale to repay debt and/or transfer to Special Funds. In its considerations, Council will take into account the risk associated with continuing to own the asset and the risks associated with Council's total debt.

Council may consider the sale of parks or roads where any sale and consequent use of funds would have an overall benefit to the community. The same principle will be applied to other individual assets that are part of an essential service provided by Council.

Not generally used for operating expenditure. The exception is for port activities where sale of endowment land is used to offset any current and/or prior year operational losses.

### Development contributions

Development contributions are not currently levied.

### Financial contributions (under the Resource Management Act 1991)

Financial contributions are charged where new development creates increased demand on maintenance of reserves.

### Grants and subsidies

Council receives the majority of grants and subsidies in the form of financial assistance from Waka Kotahi New Zealand Transport Agency (NZTA) and these are used as an operational source of revenue for roading where applicable. Grants and subsidies are used in other activities wherever feasible and it is financially prudent to draw down any such funds. Council acts as funding conduit for local service organisations accessing Crown funding assistance.

### Other sources

Special funds are funds which have either been received by Council from a third party to be used in a specific way (Restricted Funds) or monies tagged by Council to be applied for a specific purpose or area of benefit (Non Restricted Funds). Special funds are used:

- Where funds have been accrued specifically for the purpose; and/or
- Where the expenditure is unexpected and unavoidable.

### Capital expenditure

Capital costs, for the purpose of this policy, is spending on assets that provide the community with a service over a longer period of time than operating expenditure.

Capital expenditure is the category of spending which creates a new asset, or extends the lifetime of an existing asset.

The following sources are available for Council to fund capital expenditure (the costs of replacing an existing asset are not included here as these costs are progressively expensed as depreciation).

### General rates

Capital expenditure other than renewals is not generally funded from rates.

Council may opt to fund some capital expenditure from rates where the rates take is within Council's rates increase limit as set in the Financial Strategy and is in keeping with the principles of prudent financial management.

### Targeted rates

Funding from targeted rates is applied to specific activities where it has been deemed that there is a direct benefit to those ratepayers receiving a particular service (e.g. Council reticulated water supply).



Capital expenditure other than renewals is not generally funded from rates.

Council may opt to fund some capital expenditure from rates where this is in keeping with the principles of prudent financial management.

### Fees and charges

Capital expenditure is not generally funded from fees and charges. Council may opt to fund some capital expenditure from here where this is in keeping with the principles of prudent financial management.

### Interest

Council receives the majority of its interest relating to the special funds' it has set aside. The interest earned on these funds is transferred to the special funds balances. Council may use the return on these funds to fund capital projects.

### Borrowing

Borrowing is an appropriate funding mechanism to smooth the peaks in capital expenditure. It also enables the costs of major developments to be borne by those who ultimately benefit from the expenditure. This is known as the 'intergenerational equity principle' and means that the costs of any expenditure should be recovered from the community over the period during which benefits from that expenditure accrue.

It is not prudent or sustainable for all capital expenditure to be funded from borrowings and Council must balance prudence against equity.

Council will fund capital expenditure in the following priority order:

1. Financial Contributions for growth projects
2. Grants and Subsidies available
3. Available rates funding where the rates rise fits within Council's set rates increase limits.
4. Loans

The overriding limits on borrowing are set out in the Liability Management and Investment Policies.

### Lump sum contributions

Council appreciates that the benefits of capital expenditure are more appropriately spread over the life of the period the benefit is available. On this basis, the preference is to loan fund the expenditure and meet the required loan repayments through revenue such as targeted rates. However Council will, in particular circumstances, consult with affected communities on the options of collecting a lump sum contribution as is available under the rating legislation, to fund the capital costs of new wastewater schemes or water supply.

### Proceeds from asset sales

A few assets – a very small fraction of Council's total value – do not currently make a contribution to the identified council outcomes, except in terms of the revenue they generate. In these cases the benefit to Council and the community from owning the asset is measurable simply as the rate of return.

Council will consider selling such assets where the rate of return from owning the asset is lower than the financial benefit to ratepayers of selling and of using the proceeds of sale to repay debt and/or transfer to Special Funds. In its considerations, Council will take into account the risk associated with continuing to own the asset and the risks associated with Council's total debt.

Council may consider the sale of parks or roads where any sale and consequent use of funds would have an overall benefit to the community. The same principle will be applied to other individual assets that are part of an essential service provided by Council.

Proceeds from asset sales are generally set aside for future use in line with Council's policy on Special Funds. The exception is for Port activities, where sale of endowment land is used to offset any current and/or prior year operational losses.

### Development contributions

Development contributions are not currently levied.

### Financial contributions (under the Resource Management Act 1991)

Financial Contributions are charged where new development creates increased demand for maintenance of reserves.

### Grants and subsidies

Council receives the majority of grants and subsidies in the form of financial assistance from Waka Kotahi New Zealand Transport Agency (NZTA). Subsidies are also used for the development of other infrastructure such as water reticulation and sewage disposal when made available.

### Other sources

Special funds are funds which have either been received by Council from a third party to be used in a specific way (Restricted Funds) or monies tagged by Council to be applied for a specific purpose or area of benefit (Non Restricted Funds). From time to time other government grants become available to meet central government objectives. Council would endeavour to apply for these grants as they become available.

Special funds are used:

- Where funds have been accrued specifically for the purpose; and/or
- Where the expenditure is unexpected and unavoidable.

### Funding sources of capital costs for Council activities

The above principles will be deliberated when Council is considering any new capital project and the funding tools used may therefore vary project by project. It is therefore difficult, and inaccurate to try and represent capital funding of each activity graphically.

Please refer to the below funding needs analysis – capital expenditure for each of the funding sources that will be considered.

## Funding Sources Council activities

| Activity                                 | Rates       | Subsidies | User Fees | Borrowing | Other     |
|------------------------------------------|-------------|-----------|-----------|-----------|-----------|
| Land Transport                           | 19% - 58%   | 35% - 73% | 0% - 3%   | 0% - 17%  | 0% - 20%  |
| Stormwater                               | 55% - 100%  | 0% - 45 % | 0% - 20%  | 0% - 35%  | 0% - 20%  |
| Flood prevention                         | 55% - 100%  | 0% - 45 % | 0% - 20%  | 0% - 32%  | 0% - 20%  |
| Wastewater (sewerage)                    | 62% - 100%  | 0% - 38 % | 2% - 5%   | 0% - 60%  | 0% - 20%  |
| Water supply                             | 25% - 95%   | 0% - 55%  | 2% - 9%   | 0% - 60%  | 0% - 20%  |
| Refuse Collection/Landfill & recycling   | 40% - 80%   | 2% - 5%   | 15% - 30% | 0% - 40%  | 0% - 20%  |
| District Planning                        | 10% - 30%   | 0% - 20 % | 50% - 75% | 0%        | 0% - 30%  |
| Building Control                         | 30% - 60%   | 0% - 20 % | 40% - 65% | 0%        | 0% - 20%  |
| Health Regulation                        | 60% - 80%   | 0%        | 20% - 40% | 0%        | 0% - 20%  |
| Dog/Stock Control                        | 15% - 43%   | 0%        | 22% - 60% | 0% - 60%  | 0% - 20%  |
| Other Regulation                         | 44% - 82%   | 0% - 20 % | 7% - 30%  | 0%        | 0% - 20%  |
| Greymouth Aerodrome                      | 25% - 86%   | 0% - 20 % | 10% - 40% | 0%        | 0% - 60%  |
| Parking                                  | 30% - 100%  | 0% - 20 % | 0% - 65%  | 0%        | 0% - 20%  |
| Port of Greymouth                        | 5% - 91%    | 0% - 20 % | 5% - 50%  | 0% - 42%  | 0% - 20%  |
| Retirement Housing                       | 0%          | 0% - 20 % | 80% -100% | 0% - 20%  | 0% - 20%  |
| Property                                 | 0%          | 0% - 20 % | 10% - 30% | 0% - 40%  | 40% - 50% |
| Libraries                                | 50% - 99%   | 0% - 20 % | 0% - 1%   | 0% - 50%  | 0% - 20%  |
| Heritage, Arts & Culture                 | 60% - 99.5% | 0% - 20 % | 0.5 - 5%  | 20% - 35% | 0% - 20%  |
| Recreation Centre (incl. Swimming Pools) | 50% - 67%   | 0% - 20 % | 30% - 50% | 0%        | 0% - 20%  |
| Cemeteries                               | 75% - 90%   | 0% - 20 % | 10% - 15% | 0%        | 0% - 20%  |
| Parks and Tracks                         | 75% - 100%  | 0% - 20 % | 0% - 5%   | 0% - 20%  | 0% - 20%  |
| Council's In-house task force            | 80% - 100%  | 0% - 20 % | 0%        | 0%        | 0% - 20%  |
| Public Restrooms                         | 45% - 100%  | 0% - 20 % | 0%        | 0% - 30%  | 0% - 25%  |
| Council                                  | 85% - 95%   | 0% - 20 % | 0% - 5%   | 0%        | 0% - 20%  |
| Public consultation                      | 80% - 100%  | 0% - 20 % | 0%        | 0%        | 0% - 20%  |
| Council's Administration                 | 0% - 10%    | 0% - 20 % | 0% - 5%   | 0%        | 85% - 95% |
| Economic development                     | 95% - 100%  | 0% - 20 % | 0% - 5%   | 0%        | 0% - 20%  |

## 4. Funding needs analysis – operating expenditure

| Activity                                                       | Group of activity | Community outcomes                                                                                                                                                                      | Who benefits | Period of benefit | Whose act creates a need | Rationale for separate funding       | Funding source |                |              |           |               |           |            |                          | Rationale                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
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|                                                                |                   |                                                                                                                                                                                         |              |                   |                          |                                      | General rates  | Targeted rates | User charges | Subsidies | Special funds | Borrowing | Developers | Other                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Roading & footpaths                                            | Land transport    | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br>Connected<br>Enabled<br><br><b>Environment</b><br>Practical<br>Resilient<br>Strategic | Community    | Ongoing           | Users                    | Significant activity, Accountability | MAJOR          |                | MINOR        | MAJOR     |               |           |            | MINOR<br>(petroleum tax) | Council will endeavour to gain the most advantageous financial assistance for both the immediate to medium term, with the balance of funding to be met from general rates.<br><br>The District requires an efficient transport network for economic viability, so there is a mix of direct benefit to the users of the network and general benefit to the whole district. It is therefore deemed most appropriate for the rates share to be met by way of a general rate set differentially across the district |
| Management of Stormwater systems                               | Stormwater        | <b>Economic</b><br>Strong<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br><br><b>Environment</b><br>Practical<br>Resilient<br>Strategic                                    | Community    | Ongoing           | Landowners               | Significant activity, Accountability | MAJOR          |                |              |           |               |           |            |                          | The District requires efficient stormwater systems for economic viability, so there is a mix of direct benefit to the users of the systems and general benefit to the whole district. It is therefore deemed most appropriate for the rates share to be met by way of a general rate set differentially across the district                                                                                                                                                                                     |
| Flood prevention. This includes maintaining urban watercourses | Stormwater        | <b>Economic</b><br>Strong<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br>Enabled<br><br><b>Environment</b><br>Practical<br>Resilient<br>Strategic                         | Community    | Ongoing           | Landowners               | Significant activity, Accountability | MAJOR          |                |              |           |               |           |            |                          | The District requires efficient flood protection assets for economic viability, so there is a mix of direct benefit to the users of the systems and general benefit to the whole district. It is therefore deemed most appropriate for the rates share to be met by way of a general rate set differentially across the district                                                                                                                                                                                |

| Activity                                                  | Group of activity  | Community outcomes                                                                                                                                   | Who benefits            | Period of benefit | Whose act creates a need | Rationale for separate funding       | Funding source |                |              |           |               |           |            |       | Rationale                                                                                                                                                                                             |
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|                                                           |                    |                                                                                                                                                      |                         |                   |                          |                                      | General rates  | Targeted rates | User charges | Subsidies | Special funds | Borrowing | Developers | Other |                                                                                                                                                                                                       |
| Wastewater (sewerage) collection, treatment, and disposal | Wastewater         | <b>Economic</b><br>Strong<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br><br><b>Environment</b><br>Practical<br>Resilient<br>Strategic | Users                   | Ongoing           | Users                    | Significant activity, Accountability |                | MAJOR          | MINOR        | MINOR     |               |           |            |       | Properties connected to Council schemes create the need for Council to operate and maintain schemes. It is therefore deemed most appropriate for the rates share to be met by way of a targeted rate. |
| Water supply - treatment and reticulation                 | Water Supply       | <b>Economic</b><br>Strong<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br><br><b>Environment</b><br>Practical<br>Resilient<br>Strategic | Users                   | Ongoing           | Users                    | Significant activity, Accountability |                | MAJOR          | MINOR        |           |               |           |            |       | Properties connected to Council schemes create the need for Council to operate and maintain schemes. It is therefore deemed most appropriate for the rates share to be met by way of a targeted rate. |
| Refuse/Recycling collection                               | Refuse & Recycling | <b>Economic</b><br>Strong<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br><br><b>Environment</b><br>Practical<br>Resilient<br>Strategic | Individuals, businesses | Ongoing           | Users                    | Significant activity, Accountability |                | MAJOR          |              |           |               |           |            |       | There is a direct benefit for those properties that can have their waste collected, therefore a targeted rate is struck to cover these costs.                                                         |

| Activity                               | Group of activity                      | Community outcomes                                                                                                                                                                                                                              | Who benefits              | Period of benefit | Whose act creates a need              | Rationale for separate funding                     | Funding source |                |              |           |               |           |            |       | Rationale                                                                                                                                                                                                                                                                                                                                                                                                         |
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|                                        |                                        |                                                                                                                                                                                                                                                 |                           |                   |                                       |                                                    | General rates  | Targeted rates | User charges | Subsidies | Special funds | Borrowing | Developers | Other |                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Landfill and recycling management      | Refuse & Recycling                     | <b>Economic</b><br>Strong<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br><br><b>Environment</b><br>Practical<br>Resilient<br>Strategic                                                                                            | Users,<br>Community       | Ongoing           | Users                                 | Significant activity,<br>Accountability            | MAJOR          |                | MAJOR        | MINOR     |               |           |            |       | The demand for the operation and maintenance of the facilities is created by the present community. Excess users of refuse collection pay additional user fees. Those that use the facilities cover the relevant costs by way of user fees. There is a District wide benefit to having a compliant facility; therefore other costs are covered by a separate general rate set differentially across the district. |
| Civil Defence and Emergency Management | Regulatory & Building Control Services | <b>Economic</b><br>Strong<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br><br><b>Environment</b><br>Practical<br>Resilient<br>Strategic                                                                                            | Individuals,<br>Community | Ongoing           | Community                             | Has unique funding requirements,<br>Accountability | MAJOR          |                |              | MINOR     |               |           |            |       | The demand for management of civil defence is created by the present community. There is a District wide benefit to having a managed service; therefore other costs are covered by a general rate set across the district.                                                                                                                                                                                        |
| District Planning                      | Regulatory & Building Control Services | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br><br><b>Cultural</b><br>Proud<br>Unique<br>Inter-connected<br>vibrant<br><br><b>Environment</b><br>Bold<br>Practical<br>Resilient<br>Strategic | Individuals,<br>Community | Ongoing           | Individuals,<br>Groups,<br>Businesses | Has unique funding requirements,<br>Accountability | MAJOR          |                | MODERATE     |           |               |           |            |       | Planning provides current and on-going benefits through the sustainable development of Council/Community vision. The majority of benefit for the costs of consent processing goes to the applicant, and this is reflected in user fees. Policy and strategy aspects are considered to have predominantly public benefit and are funded from general rates                                                         |

| Activity          | Group of activity                      | Community outcomes                                                                                                                                   | Who benefits           | Period of benefit | Whose act creates a need | Rationale for separate funding                  | Funding source |                |              |           |               |           |            |       | Rationale                                                                                                                                                                                                                                                                                                                                                              |
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|                   |                                        |                                                                                                                                                      |                        |                   |                          |                                                 | General rates  | Targeted rates | User charges | Subsidies | Special funds | Borrowing | Developers | Other |                                                                                                                                                                                                                                                                                                                                                                        |
| Building Control  | Regulatory & Building Control Services | <b>Economic</b><br>Strong<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br><br><b>Environment</b><br>Practical<br>Resilient<br>Strategic | Individuals, Community | Ongoing           | Individuals, Community   | Has unique funding requirements, accountability | MODERATE       |                | MAJOR        |           |               |           |            | MINOR | Building control provides current and on-going benefits through the sustainable development of Council/Community vision<br>The majority of benefit for the costs of consent processing goes to the applicant, and this is reflected in user fees.<br>Policy and strategy aspects are considered to have predominantly public benefit and are funded from general rates |
| Health Regulation | Regulatory & Building Control Services | <b>Economic</b><br>Strong<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe                                                                  | Individuals, Community | Ongoing           | Businesses               | Has unique funding requirements, Accountability | MAJOR          |                | MODERATE     |           |               |           |            |       | Health regulation - Direct inspection and licensing costs are recovered from premises involved.<br>Health regulation - As there is a collective benefit remaining costs are met by the general ratepayer. (Public Goods)                                                                                                                                               |
| Animal Control    | Regulatory & Building Control Services | <b>Economic</b><br>Strong<br>Sustainable<br><br><b>Social</b><br>Safe<br><br><b>Environment</b><br>Practical<br>Resilient<br>Strategic               | Individuals, Community | Ongoing           | Individuals              | Has unique funding requirements, Accountability | MODERATE       |                | MAJOR        |           |               |           |            |       | The benefit of having effective dog control is shared equally by all in the district.<br>As the need for the activity is created by dog owners, the majority of costs are to be met by those generated the need                                                                                                                                                        |
| Other Regulation  | Regulatory & Building Control Services | <b>Economic</b><br>Strong<br>Sustainable<br><br><b>Social</b><br>Safe<br><br><b>Environment</b><br>Practical<br>Resilient<br>Strategic               | Individuals, Community | Ongoing           | Individuals              | Has unique funding requirements, Accountability | MAJOR          |                | MODERATE     |           |               |           |            |       | Enforcement - Whilst in principle the ideal would be to recover the majority of costs from those creating the demand (exacerbator) the reality is it is inherently difficult to recover the costs.<br>Enforcement - As there is a collective benefit remaining costs are met by the general ratepayer.                                                                 |

| Activity            | Group of activity     | Community outcomes                                                                                                                                | Who benefits          | Period of benefit | Whose act creates a need | Rationale for separate funding                  | Funding source |                |              |           |               |           |            |       | Rationale                                                                                                                                                                                                                                                                                                                  |
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|                     |                       |                                                                                                                                                   |                       |                   |                          |                                                 | General rates  | Targeted rates | User charges | Subsidies | Special funds | Borrowing | Developers | Other |                                                                                                                                                                                                                                                                                                                            |
| Greymouth Aerodrome | Commercial & Property | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br><br><b>Social</b><br>Safe<br><br><b>Environment</b><br>Practical<br>Resilient<br>Strategic | Users                 | Ongoing           | Users                    | Has unique funding requirements, Accountability | MAJOR          |                | MODERATE     |           |               |           |            |       | With limited commercial use and restrictions thereof, the current facility is restricted in the amount of funds recovered directly from the users.<br>As an integral part of Council's lifelines function with respect to accessibility and how Council can respond to civil emergencies, this has a District wide benefit |
| Parking             | Commercial & property | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br>Connected                                       | Community, businesses | Ongoing           | Users, Businesses        | Has unique funding requirements, Accountability | MAJOR          |                | MAJOR        |           |               |           |            |       | Costs are recovered from users of dedicated parking facilities<br>Parking Regulation/enforcement costs are recovered from fines<br>General benefit available to all by having accessible parking in main commercial area plus no charge for on-street parking, therefore a general rate input appropriate.                 |
| Port of Greymouth   | Commercial & Property | <b>Economic</b><br>Strong<br>Sustainable<br><br><b>Social</b><br>Safe<br><br><b>Environment</b><br>Practical<br>Resilient<br>Strategic            | Users                 | Ongoing           |                          |                                                 | MAJOR          |                | MODERATE     |           | MODERATE      | MODERATE  |            | MAJOR | With limited commercial use and restrictions thereof, the current facility is restricted in the amount of funds recovered directly from the users.<br>As an integral part of Council's lifelines function with respect to accessibility and how Council can respond to civil emergencies, this has a District wide benefit |



| Activity           | Group of activity     | Community outcomes                                                                                                                                                                     | Who benefits | Period of benefit | Whose act creates a need | Rationale for separate funding                  | Funding source |                |              |           |               |           |            |       | Rationale                                                                                                                                                                                                                                                                                                                                                  |
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|                    |                       |                                                                                                                                                                                        |              |                   |                          |                                                 | General rates  | Targeted rates | User charges | Subsidies | Special funds | Borrowing | Developers | Other |                                                                                                                                                                                                                                                                                                                                                            |
| Retirement Housing | Commercial & Property | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br>Inclusive<br>Connected<br>Enabled<br><br><b>Cultural</b><br>Proud<br>Inter-connected | Individuals  | Ongoing           | Users                    | Has unique funding requirements, Accountability |                |                | MAJOR        |           |               |           |            |       | Costs not significantly impacted by actions or inactions of individuals or groups.<br>No compelling case to provide rates funding based on affordability or wider social consideration.<br>Appropriate policy for this activity.                                                                                                                           |
| Property           | Commercial & Property | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br><br><b>Environment</b><br>Practical<br>Resilient<br>Strategic                        | Individuals  | Ongoing           | Users                    | Has unique funding requirements, Accountability |                |                | MAJOR        |           |               |           |            | MAJOR | Costs of providing municipal buildings are recovered from the activities supported (internal recoveries)<br>Other recoveries are from occupiers of Council property, such as land leases and tenants.<br>Investment returns on previous sales of Council property are used as a source of funds (given the diminished return as council divests property). |

| Activity       | Group of activity      | Community outcomes                                                                                                                                                                                                                                              | Who benefits        | Period of benefit | Whose act creates a need | Rationale for separate funding                  | Funding source |                |              |           |               |           |            |       | Rationale                                                                                                                                                                                            |
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|                |                        |                                                                                                                                                                                                                                                                 |                     |                   |                          |                                                 | General rates  | Targeted rates | User charges | Subsidies | Special funds | Borrowing | Developers | Other |                                                                                                                                                                                                      |
| Libraries      | Community & Recreation | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br>Inclusive<br>Connected<br>Enabled<br><br><b>Cultural</b><br>Proud<br>Unique<br>Inter-connected<br>Vibrant<br><br><b>Environment</b><br>Practical<br>Resilient | Individuals, Groups | Ongoing           | Users                    | Has unique funding requirements, Accountability | MAJOR          |                | MINOR        | MINOR     |               |           |            |       | User fees recovered where practical and to a level deemed affordable for users.<br>Provides a general benefit to the district having quality facilities - balance of costs met through general rates |
| Swimming Pools | Community & Recreation | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br>Inclusive<br>Connected<br>Enabled<br><br><b>Cultural</b><br>Proud<br>Unique<br>Inter-connected,<br>vibrant                                                    | Individuals, Groups | Ongoing           | Users                    | Has unique funding requirements, Accountability | MAJOR          |                | MODERATE     |           |               |           |            |       | User fees recovered where practical and to a level deemed affordable for users.<br>Provides a general benefit to the district having quality facilities - balance of costs met through general rates |

| Activity                 | Group of activity      | Community outcomes                                                                                                                                                                                                                                               | Who benefits        | Period of benefit | Whose act creates a need | Rationale for separate funding                  | Funding source |                |              |           |               |           |            |       | Rationale                                                                                                                                                                                            |
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|                          |                        |                                                                                                                                                                                                                                                                  |                     |                   |                          |                                                 | General rates  | Targeted rates | User charges | Subsidies | Special funds | Borrowing | Developers | Other |                                                                                                                                                                                                      |
| Heritage, Arts & Culture | Community & Recreation | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br>Inclusive<br>Connected<br>Enabled<br><br><b>Cultural</b><br>Proud<br>Unique<br>Inter-connected<br>Vibrant<br><br><b>Environment</b><br>Practical<br>Resilient  | Individuals, Groups | Ongoing           | Users                    | Has unique funding requirements, Accountability | MAJOR          | MODERATE       | MINOR        |           |               |           |            |       | User fees recovered where practical and to a level deemed affordable for users.<br>Provides a general benefit to the district having quality facilities - balance of costs met through general rates |
| Indoor Sport Centres     | Community & Recreation | <b>Economic</b><br>Diverse<br>Strong<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br>Inclusive<br>Connected<br>Enabled<br><br><b>Cultural</b><br>Proud<br>Unique<br>Inter-connected,<br>Vibrant<br><br><b>Environment</b><br>Practical<br>Resilient | Individuals, Groups | Ongoing           | Users                    | Has unique funding requirements, Accountability | MAJOR          |                | MAJOR        |           |               |           |            |       | User fees recovered where practical and to a level deemed affordable for users.<br>Provides a general benefit to the district having quality facilities - balance of costs met through general rates |

| Activity         | Group of activity      | Community outcomes                                                                                                                                                                                                                                              | Who benefits        | Period of benefit | Whose act creates a need | Rationale for separate funding                  | Funding source |                |              |           |               |           |            |       | Rationale                                                                                                                                                                                            |
|------------------|------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-------------------|--------------------------|-------------------------------------------------|----------------|----------------|--------------|-----------|---------------|-----------|------------|-------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                  |                        |                                                                                                                                                                                                                                                                 |                     |                   |                          |                                                 | General rates  | Targeted rates | User charges | Subsidies | Special funds | Borrowing | Developers | Other |                                                                                                                                                                                                      |
| Cemeteries       | Community & Recreation | <b>Economic</b><br>Sustainable<br>Social<br>Inclusive<br>Connected<br><br><b>Cultural</b><br>Proud<br>Unique<br>Inter-connected<br><br><b>Environment</b><br>Practical<br>Resilient                                                                             | Individuals, Groups | Ongoing           | Users                    | Has unique funding requirements, Accountability | MAJOR          |                | MODERATE     | MINOR     |               |           |            |       | User fees recovered where practical and to a level deemed affordable for users.<br>Provides a general benefit to the district having quality facilities - balance of costs met through general rates |
| Parks and Tracks | Community & Recreation | <b>Economic</b><br>Diverse<br>Strong<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br>Inclusive<br>Connected<br>Enabled<br><br><b>Cultural</b><br>Proud<br>Unique<br>Inter-connected<br>Vibrant<br><br><b>Environment</b><br>Practical<br>Resilient | Individuals, Groups | Ongoing           | Users                    | Has unique funding requirements, Accountability | MAJOR          |                | MINOR        |           |               |           |            |       | User fees recovered where practical and to a level deemed affordable for users.<br>Provides a general benefit to the district having quality facilities - balance of costs met through general rates |

| Activity                      | Group of activity      | Community outcomes                                                                                                                                                                                                                                | Who benefits           | Period of benefit | Whose act creates a need | Rationale for separate funding                  | Funding source |                |              |           |               |           |            |       | Rationale                                                                                                         |
|-------------------------------|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|-------------------|--------------------------|-------------------------------------------------|----------------|----------------|--------------|-----------|---------------|-----------|------------|-------|-------------------------------------------------------------------------------------------------------------------|
|                               |                        |                                                                                                                                                                                                                                                   |                        |                   |                          |                                                 | General rates  | Targeted rates | User charges | Subsidies | Special funds | Borrowing | Developers | Other |                                                                                                                   |
| Council's In-house task force | Community & Recreation | <b>Economic</b><br>Diverse<br>Strong<br>Sustainable<br><br><b>Social</b><br>Safe<br>Inclusive<br>Connected<br>Enabled<br><br><b>Cultural</b><br>Proud<br>Unique<br>Inter-connected<br><br><b>Vibrant</b><br>Environment<br>Practical<br>Resilient | Community              | Ongoing           | Users                    | Has unique funding requirements, Accountability | MAJOR          |                |              |           |               |           |            |       | Provides a general benefit to the district having quality facilities - balance of costs met through general rates |
| Public Restrooms              | Commercial & Property  | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br><br><b>Environment</b><br>Practical<br>Resilient                                                                                                | Individuals, Community | Ongoing           | Users                    | Has unique funding requirements, Accountability | MAJOR          |                |              |           |               |           |            |       | Provides a general benefit to the district having quality facilities                                              |

| Activity | Group of activity     | Community outcomes                                                                                                                                                                                                                                             | Who benefits | Period of benefit | Whose act creates a need | Rationale for separate funding                  | Funding source |                |              |           |               |           |            |                             | Rationale                                                                                                           |
|----------|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------------|--------------------------|-------------------------------------------------|----------------|----------------|--------------|-----------|---------------|-----------|------------|-----------------------------|---------------------------------------------------------------------------------------------------------------------|
|          |                       |                                                                                                                                                                                                                                                                |              |                   |                          |                                                 | General rates  | Targeted rates | User charges | Subsidies | Special funds | Borrowing | Developers | Other                       |                                                                                                                     |
| Council  | Governance & Strategy | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br><br><b>Social</b><br>Safe<br>Inclusive<br>Connected<br>Enabled<br><br><b>Cultural</b><br>Proud<br>Unique<br>Inter-connected<br>Vibrant<br><br><b>Environment</b><br>Practical<br>Resilient<br>Strategic | Community    | Ongoing           | Community                | Has unique funding requirements, Accountability | MAJOR          |                |              |           |               |           |            | MINOR<br>(interest revenue) | Represents the cost of democracy across the district and therefore recovered from all ratepayers via general rates. |

| Activity            | Group of activity     | Community outcomes                                                                                                                                                                                                                                                           | Who benefits | Period of benefit | Whose act creates a need | Rationale for separate funding                  | Funding source |                |              |           |               |           |            |       | Rationale                                                                                                           |
|---------------------|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------------|--------------------------|-------------------------------------------------|----------------|----------------|--------------|-----------|---------------|-----------|------------|-------|---------------------------------------------------------------------------------------------------------------------|
|                     |                       |                                                                                                                                                                                                                                                                              |              |                   |                          |                                                 | General rates  | Targeted rates | User charges | Subsidies | Special funds | Borrowing | Developers | Other |                                                                                                                     |
| Public consultation | Governance & Strategy | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br>Inclusive<br>Connected<br>Enabled<br><br><b>Cultural</b><br>Proud<br>Unique<br>Inter-connected<br>Vibrant<br><br><b>Environment</b><br>Practical<br>Resilient<br>Strategic | Community    | Ongoing           | Community                | Has unique funding requirements, Accountability | MAJOR          |                |              |           |               |           |            |       | Represents the cost of democracy across the district and therefore recovered from all ratepayers via general rates. |

| Activity                 | Group of activity     | Community outcomes                                                                                                                                                                                                                                                                   | Who benefits | Period of benefit | Whose act creates a need | Rationale for separate funding                  | Funding source |                |              |           |               |           |            |       | Rationale                                                                                                                     |
|--------------------------|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------------|--------------------------|-------------------------------------------------|----------------|----------------|--------------|-----------|---------------|-----------|------------|-------|-------------------------------------------------------------------------------------------------------------------------------|
|                          |                       |                                                                                                                                                                                                                                                                                      |              |                   |                          |                                                 | General rates  | Targeted rates | User charges | Subsidies | Special funds | Borrowing | Developers | Other |                                                                                                                               |
| Council's Administration | Governance & Strategy | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br>Inclusive<br>Connected<br>Enabled<br><br><b>Cultural</b><br>Proud<br>Unique<br>Inter-connected<br>Vibrant<br><br><b>Environment</b><br>Bold<br>Practical<br>Resilient<br>Strategic | Community    | Ongoing           | Community                | Has unique funding requirements, Accountability | MINOR          |                | MINOR        |           |               |           |            | MAJOR | The majority of costs are recovered via an overhead allocation against other activities based on the appropriate cost drivers |



| Activity             | Group of activity     | Community outcomes                                                                                                                                                                                                                                                                   | Who benefits            | Period of benefit | Whose act creates a need | Rationale for separate funding                  | Funding source |                |              |           |               |           |            |       | Rationale                                                                                                                                                                                                                                     |
|----------------------|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------|--------------------------|-------------------------------------------------|----------------|----------------|--------------|-----------|---------------|-----------|------------|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                      |                       |                                                                                                                                                                                                                                                                                      |                         |                   |                          |                                                 | General rates  | Targeted rates | User charges | Subsidies | Special funds | Borrowing | Developers | Other |                                                                                                                                                                                                                                               |
| Economic development | Commercial & Property | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br>Inclusive<br>Connected<br>Enabled<br><br><b>Cultural</b><br>Proud<br>Unique<br>Inter-connected<br>Vibrant<br><br><b>Environment</b><br>Bold<br>Practical<br>Resilient<br>Strategic | Individuals, businesses | Ongoing           | Individuals, businesses  | Has unique funding requirements, Accountability | MODERATE       | MAJOR          |              | MODERATE  |               |           |            |       | Seek external subsidies where possible.<br>Commercial/Industrial ratepayers receive benefit of economic development and promotion – contribute via a targeted rate.<br>Balance non-exclusive service providing benefit to the wider community |

## 5. Funding needs analysis –capital expenditure

| Activity                         | Group of activity | Community outcomes                                                                                                                                                                      | Who benefits       | Period of benefit | Whose act creates a need | Rationale for separate funding       | Funding source |                |              |           |               |           |            | Rationale |                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------------|--------------------------|--------------------------------------|----------------|----------------|--------------|-----------|---------------|-----------|------------|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                  |                   |                                                                                                                                                                                         |                    |                   |                          |                                      | General rates  | Targeted rates | User charges | Subsidies | Special funds | Borrowing | Developers |           | Other                                                                                                                                                                                                                                                                                                                           |
| Roading & footpaths              | Land transport    | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br>Inclusive<br>Connected<br>Enabled<br><br><b>Environment</b><br>Practical<br>Resilient | Community          | Ongoing           | Users, Growth            | Significant activity, Accountability | MAJOR          |                |              | MAJOR     | MODERATE      |           | MINOR      |           | New capital is driven by growth and demand for increased levels of service. Growth based demand will be funded from developers and new ratepayers<br>Council will endeavour to gain the most advantageous financial assistance for both the immediate to medium term, with the balance of funding to be met from general rates. |
| Management of Stormwater systems | Stormwater        | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br><br><b>Environment</b><br>Bold<br>Practical<br>Resilient<br>Strategic                 | Users<br>Community | Ongoing           | Landowners, Growth       | Significant activity, Accountability |                |                |              |           | MODERATE      | MAJOR     | MINOR      |           | New capital is driven by growth and demand for increased levels of service. Growth based demand will be funded from developers and new ratepayers.<br>Increased levels of service will be funded from special funds and borrowing.                                                                                              |

| Activity                                                       | Group of activity | Community outcomes                                                                                                                                                      | Who benefits | Period of benefit | Whose act creates a need | Rationale for separate funding       | Funding source |                |              |           |               |               |            |       | Rationale                                                                                                                                                                                                                             |
|----------------------------------------------------------------|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------------|--------------------------|--------------------------------------|----------------|----------------|--------------|-----------|---------------|---------------|------------|-------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                |                   |                                                                                                                                                                         |              |                   |                          |                                      | General rates  | Targeted rates | User charges | Subsidies | Special funds | Borrowin<br>g | Developers | Other |                                                                                                                                                                                                                                       |
| Flood prevention. This includes maintaining urban watercourses | Stormwater        | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br><br><b>Environment</b><br>Bold<br>Practical<br>Resilient<br>Strategic | Community    | Ongoing           | Landowners, Growth       | Significant activity, Accountability |                |                |              |           | MODERATE      | MAJOR         | MINOR      |       | New capital is driven by growth and demand for increased levels of service.<br>Growth based demand will be funded from developers and new ratepayers.<br>Increased levels of service will be funded from special funds and borrowing. |
| Wastewater (sewerage) collection, treatment, and disposal      | Wastewater        | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br><br><b>Environment</b><br>Bold<br>Practical<br>Resilient<br>Strategic | Users        | Ongoing           | Users, Growth            | Significant activity, Accountability |                |                |              | MAJOR     | MODERATE      | MAJOR         | MINOR      |       | New capital is driven by growth and demand for increased levels of service.<br>Growth based demand will be funded from developers and new ratepayers.<br>Increased levels of service will be funded from special funds and borrowing. |
| Water supply - treatment and reticulation                      | Water Supply      | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br><br><b>Environment</b><br>Bold<br>Practical<br>Resilient<br>Strategic | Users        | Ongoing           | Users, Growth            | Significant activity, Accountability |                |                |              | MAJOR     | MODERATE      | MAJOR         | MINOR      |       | New capital is driven by growth and demand for increased levels of service.<br>Growth based demand will be funded from developers and new ratepayers.<br>Increased levels of service will be funded from special funds and borrowing. |

| Activity                          | Group of activity     | Community outcomes                                                                                                                                                                   | Who benefits          | Period of benefit | Whose act creates a need | Rationale for separate funding                  | Funding source |                |              |           |               |           |            |       | Rationale                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------|--------------------------|-------------------------------------------------|----------------|----------------|--------------|-----------|---------------|-----------|------------|-------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                   |                       |                                                                                                                                                                                      |                       |                   |                          |                                                 | General rates  | Targeted rates | User charges | Subsidies | Special funds | Borrowing | Developers | Other |                                                                                                                                                                                                                                                                                                                           |
| Landfill and recycling management | Refuse & Recycling    | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br><br><b>Environment</b><br>Bold<br>Practical<br>Resilient<br>Strategic              | Users, Community      | Ongoing           | Users, Growth            | Significant activity, Accountability            |                |                |              |           | MINOR         | MAJOR     |            |       | New capital is driven by the need for additional landfill capacity. Majority of costs are loan funded to be repaid over the useful life of the asset.                                                                                                                                                                     |
| Greymouth Aerodrome               | Commercial & Property | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br>Connected<br><br><b>Environment</b><br>Resilient<br>Bold<br>Practical<br>Strategic | Users                 | Ongoing           | Users                    | Has unique funding requirements, accountability |                |                |              |           | MODERATE      | MAJOR     |            |       | With limited commercial use and restrictions thereof the current facility is restricted in the amount of funds recovered directly from the users.<br>As an integral part of Council's lifelines function with respect to accessibility and how Council can respond to civil emergencies. This has a District wide benefit |
| Parking                           | Commercial & Property | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br>Connected<br>Enabled                                                               | Community, businesses | Ongoing           | Users, Businesses        | Has unique funding requirements, accountability |                |                |              |           | MAJOR         | MAJOR     | MINOR      |       | New capital is driven by growth and demand for increased levels of service. Growth based demand will be funded from developers and new users. Increased levels of service will be funded from special funds and borrowing.                                                                                                |

| Activity           | Group of activity     | Community outcomes                                                                                                                                                   | Who benefits      | Period of benefit | Whose act creates a need | Rationale for separate funding                  | Funding source |                |              |           |               |           |            |       | Rationale                                                                                                                                                                                                                                                                                                                                                  |
|--------------------|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|--------------------------|-------------------------------------------------|----------------|----------------|--------------|-----------|---------------|-----------|------------|-------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                    |                       |                                                                                                                                                                      |                   |                   |                          |                                                 | General rates  | Targeted rates | User charges | Subsidies | Special funds | Borrowing | Developers | Other |                                                                                                                                                                                                                                                                                                                                                            |
| Port of Greymouth  | Commercial & Property | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Connected<br><br><b>Environment</b><br>Practical<br>Resilient<br>Strategic | Users<br>Business | Ongoing           | Users                    | Has unique funding requirements, accountability |                |                |              |           | MODERATE      | MAJOR     |            |       | For the development of new facilities much of the benefit will be gained by future users therefore any expenditure will be funded over the period of benefit, after any specific funds set aside are utilised.                                                                                                                                             |
| Retirement Housing | Commercial & Property | <b>Economic</b><br>Sustainable<br><br><b>Social</b><br>Safe<br>Inclusive<br>Connected<br>Enabled<br><br><b>Cultural</b><br>Proud<br>Inter-connected                  | Individuals       | Ongoing           | Users,<br>Growing demand | Has unique funding requirements, accountability |                |                |              |           | MODERATE      | MODERATE  | MAJOR      |       | New capital driven by increased demand for facilities.<br>Council will endeavour to obtain any available subsidies with remaining costs to be met from specific funds set aside and borrowing.                                                                                                                                                             |
| Property           | Commercial & Property | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br>Enabled                                                            | Individuals       | Ongoing           | Users                    | Has unique funding requirements, accountability |                |                |              |           | MODERATE      | MAJOR     |            | MAJOR | Costs of providing municipal buildings are recovered from the activities supported (internal recoveries)<br>Other recoveries are from occupiers of Council property, such as land leases and tenants.<br>Investment returns on previous sales of Council property are used as a source of funds (given the diminished return as council divests property). |

| Activity       | Group of activity      | Community outcomes                                                                                                                                                                                                                                              | Who benefits        | Period of benefit | Whose act creates a need | Rationale for separate funding                  | Funding source |                |              |           |               |           |            |       | Rationale                                                                                                                                                                   |
|----------------|------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-------------------|--------------------------|-------------------------------------------------|----------------|----------------|--------------|-----------|---------------|-----------|------------|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                |                        |                                                                                                                                                                                                                                                                 |                     |                   |                          |                                                 | General rates  | Targeted rates | User charges | Subsidies | Special funds | Borrowing | Developers | Other |                                                                                                                                                                             |
| Libraries      | Community & Recreation | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br>Inclusive<br>Connected<br>Enabled<br><br><b>Cultural</b><br>Proud<br>Unique<br>Inter-connected<br>Vibrant<br><br><b>Environment</b><br>Practical<br>Resilient | Individuals, Groups | Ongoing           | Users                    | Has unique funding requirements, accountability | MAJOR          |                | MINOR        |           | MODERATE      | MODERATE  |            |       | New collection additions are progressively added from annual rates/user fee revenue.<br>New library development would be funded from specific funds set aside and borrowing |
| Swimming Pools | Community & Recreation | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br>Inclusive<br>Connected<br>Enabled<br><br><b>Cultural</b><br>Proud<br>Unique<br>Inter-connected,<br>Vibrant                                                    | Individuals, Groups | Ongoing           | Users                    | Has unique funding requirements, accountability |                |                |              | MAJOR     | MODERATE      | MODERATE  |            |       | New facilities expected to be funded largely from external fundraising with remaining costs to be met from specific funds set aside and borrowing.                          |

| Activity                 | Group of activity      | Community outcomes                                                                                                                                                                                                                                               | Who benefits        | Period of benefit | Whose act creates a need | Rationale for separate funding                  | Funding source |                |              |           |               |           |            |       | Rationale                                                                                                                                          |
|--------------------------|------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-------------------|--------------------------|-------------------------------------------------|----------------|----------------|--------------|-----------|---------------|-----------|------------|-------|----------------------------------------------------------------------------------------------------------------------------------------------------|
|                          |                        |                                                                                                                                                                                                                                                                  |                     |                   |                          |                                                 | General rates  | Targeted rates | User charges | Subsidies | Special funds | Borrowing | Developers | Other |                                                                                                                                                    |
| Heritage, Arts & Culture | Community & Recreation | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br>Inclusive<br>Connected<br>Enabled<br><br><b>Cultural</b><br>Proud<br>Unique<br>Inter-connected,<br>Vibrant<br><br><b>Environment</b><br>Practical<br>Resilient | Individuals, Groups | Ongoing           | Users                    | Has unique funding requirements, accountability |                |                |              | MAJOR     | MODERATE      | MODERATE  |            |       | New facilities expected to be funded largely from external fundraising with remaining costs to be met from specific funds set aside and borrowing. |
| Indoor Sport Centres     | Community & Recreation | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br>Inclusive<br>Connected<br>Enabled<br><br><b>Cultural</b><br>Proud<br>Unique<br>Inter-connected<br>Vibrant<br><br><b>Environment</b><br>Practical<br>Resilient  | Individuals, Groups | Ongoing           | Users                    | Has unique funding requirements, accountability |                |                |              | MAJOR     | MODERATE      | MODERATE  |            |       | New facilities expected to be funded largely from external fundraising with remaining costs to be met from specific funds set aside and borrowing. |

| Activity         | Group of activity      | Community outcomes                                                                                                                                                                                                                                              | Who benefits        | Period of benefit | Whose act creates a need | Rationale for separate funding                  | Funding source |                |              |           |               |           |            |       | Rationale                                                                                                                                                                                                            |
|------------------|------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-------------------|--------------------------|-------------------------------------------------|----------------|----------------|--------------|-----------|---------------|-----------|------------|-------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                  |                        |                                                                                                                                                                                                                                                                 |                     |                   |                          |                                                 | General rates  | Targeted rates | User charges | Subsidies | Special funds | Borrowing | Developers | Other |                                                                                                                                                                                                                      |
| Cemeteries       | Community & Recreation | <b>Economic</b><br>Sustainable<br><br><b>Social</b><br>Inclusive<br>Connected<br>Enabled<br><br><b>Cultural</b><br>Proud<br>Unique<br>Inter-connected<br><br><b>Environment</b><br>Practical<br>Resilient                                                       | Individuals, Groups | Ongoing           | Users                    | Has unique funding requirements, accountability |                |                |              |           | MAJOR         | MODERATE  |            |       | For the development of new facilities much of the benefit will be gained by future communities therefore any expenditure will be funded over the period of benefit, after any specific funds set aside are utilised. |
| Parks and Tracks | Community & Recreation | <b>Economic</b><br>Strong<br>Diverse<br>Sustainable<br>Prosperous<br><br><b>Social</b><br>Safe<br>Inclusive<br>Connected<br>Enabled<br><br><b>Cultural</b><br>Proud<br>Unique<br>Inter-connected<br>Vibrant<br><br><b>Environment</b><br>Practical<br>Resilient | Individuals, Groups | Ongoing           | Users                    | Has unique funding requirements, accountability |                |                |              |           | MAJOR         | MODERATE  |            |       | For the development of new facilities much of the benefit will be gained by future communities therefore any expenditure will be funded over the period of benefit, after any specific funds set aside are utilised. |



| Activity         | Group of activity     | Community outcomes                                                                                                                                 | Who benefits           | Period of benefit | Whose act creates a need | Rationale for separate funding                  | Funding source |                |              |           |               |           |            |       | Rationale                                                                                                                                                                                                            |
|------------------|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|-------------------|--------------------------|-------------------------------------------------|----------------|----------------|--------------|-----------|---------------|-----------|------------|-------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                  |                       |                                                                                                                                                    |                        |                   |                          |                                                 | General rates  | Targeted rates | User charges | Subsidies | Special funds | Borrowing | Developers | Other |                                                                                                                                                                                                                      |
| Public Restrooms | Commercial & Property | <b>Economic</b><br>Sustainable<br>Strong<br>Diverse<br>Prosperous<br><br><b>Social</b><br>Safe<br><br><b>Environment</b><br>Practical<br>Resilient | Individuals, Community | Ongoing           | Users                    | Has unique funding requirements, accountability |                |                |              |           | MODERATE      | MAJOR     |            |       | For the development of new facilities much of the benefit will be gained by future communities therefore any expenditure will be funded over the period of benefit, after any specific funds set aside are utilised. |

# Grey District Council Treasury Management Policies

|               |                                  |                  |              |
|---------------|----------------------------------|------------------|--------------|
| Adopted       | 9 March 2015                     | Review period    | Three yearly |
| Last reviewed | May 2025                         | Next review due  | 2027         |
| Approved by   | Council                          | Minute reference |              |
| Policy owner  | Group Manager Corporate Services | Adoption Date    | 10 June 2025 |

## Investment policy

### Objective

This policy seeks to achieve the following:

- Optimise investment returns while balancing risk and return considerations.
- Ensure that investments are liquid and sufficiently flexible.
- Diversify the mix of financial investments.
- Managing potential capital losses as a result of interest rate movements.
- Providing for termination of investments before maturity if deemed necessary.
- Safeguard Council's financial market investments by establishing and regularly reviewing investment parameters and ensuring that all investment activities are carried out within these parameters
- Produce accurate and timely information that can be relied on by senior management and Council for control and exposure monitoring purposes in relation to the investment activities of Council

In its role as a local authority, Council recognises that any investments it holds should be low risk, giving preference to conservative investment policies and avoiding speculative instruments. It therefore is accepted that lower risk generally means lower returns. In its financial market investment activities, the primary objective is the protection of the investment capital and to minimise the risk of any loss. Accordingly, only creditworthy counterparties are acceptable (refer financial investments)

Any new investments are approved by the appropriate delegated authority.

#### 1.1. Investment mix

1.1.1. Council maintains investments in the following financial assets:

- Equity investments
- Loan advances
- Property investments, including land holdings.
- Financial investments.

#### 1.2. Equity investments

*Council has equity investments in Civic Assurance Limited.*

- 1.2.1. Civic Assurance Limited shares were acquired by virtue of Council being a local authority. The shares are not readily transferable.
- 1.2.2. Revenue earned from the shares is minimal. Any sale requires Council approval. Any disposition will be realised in a managed form, and proceeds are taken to general funds.
- 1.2.3. The investment will be managed by reviewing annually the performance, and the consideration of the Statement of Intent.
- 1.2.4. Annual Reports are received and reviewed by Council. Election of directors takes place at the AGM

held at the Local Government New Zealand annual conference. The Council votes by proxy.

- 1.2.5. Council reviews its commitment to the scheme on an annual basis based on the Annual Report of the company. As a member, Council gets to vote on the directorships involved.
- 1.2.6. Notwithstanding unforeseen circumstances, Council will continue to hold its shares in Civic Assurance Ltd for the duration of this plan.

### **1.3 Property investments (including land holdings)**

*Council owns property, i.e. land holdings and buildings, only insofar as it is necessary to do so in order to achieve its strategic objectives. The benefits of continued ownership, vis-à-vis other investment vehicles is reviewed regularly. The basis for the review is the most financially viable method of delivery of Council services.*

*Any new acquisitions require Council resolution.*

#### **1.3.1 Commercial and non-operational property**

- 1.3.1.1 Council holds a number of commercial properties; including property intended for resale, property used by the port, other property held for strategic purposes, plus other properties that were acquired through amalgamation.
- 1.3.1.2 Net income/proceeds will be first applied to any outstanding monies owed against the property.
- 1.3.1.3 Net income is used as a source of operating revenue for the 'Commercial and Property' activity.
- 1.3.1.4 Net proceeds from sales are transferred to special funds
- 1.3.1.5 The Group Manager Corporate will review the performance of the property investments and make any recommendations of disposal to the relevant sub-committee. Financial performance will be reported via the Annual Report.

#### **1.3.2 Residential property**

- 1.3.2.1 Council holds a number of residential leasehold properties and endowment land, from the time of amalgamation in 1989. These are freeholded, subject to Council policy, at the resident's request.
- 1.3.2.2 Net income from endowment land is used to fund present port operations or set aside in a special fund for future port related expenditure.
- 1.3.2.3 Net income from other residential leases is used as a source of operating revenue for the 'Property & Housing' activity.
- 1.3.2.4 Net proceeds from freeholdings are transferred to special funds
- 1.3.2.5 The Group Manager Corporate will review the performance of the property investments and make any recommendations of disposal to the relevant sub-committee. Financial performance will be reported via the Annual Report.

#### **1.3.3 Retirement housing (Continuing-care community/Senior housing)**

- 1.3.3.1 Council owns a number of retirement housing properties, necessary for achieving the outcomes of the Long Term Plan.
- 1.3.3.2 Net income from retirement housing is used for a combination of purposes to retire long-term debt, set aside for future maintenance/renewals or offset against the general rates.
- 1.3.3.3 The Group Manager Corporate will review the performance of the property investments and make any recommendations of disposal to the relevant sub-committee. Financial performance will be reported via the Annual Report.

### **1.4 Financial investments**

- 1.4.1 Council's primary objective when investing is the protection of its investment, and therefore only creditworthy counterparties are acceptable. Council ensures prudence by applying the following financial market investment parameters to address risk management:

| Authorised Asset Classes                           | Overall Portfolio Limit as a Percentage of the Total Portfolio | Approved Financial Market Investment Instruments (must be denominated in NZ dollars)                                      | Credit Rating Criteria – Standard and Poor's<br>(or Moody's or Fitch equivalents)                                                                                                                            | Limit for each issuer subject to overall portfolio limit for issuer class              |
|----------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| New Zealand Government                             | 100%                                                           | <ul style="list-style-type: none"> <li>Government Stock</li> <li>Treasury Bills</li> </ul>                                | Not Applicable                                                                                                                                                                                               | Unlimited                                                                              |
| Rated Local Authorities                            | 70%                                                            | <ul style="list-style-type: none"> <li>Commercial Paper</li> <li>Bonds/MTNs/FRNs</li> </ul>                               | Short term S&P rating of A1 or better<br><br>Long term S&P rating of BBB or better<br>Long term S&P rating of A- or better<br>Long term S&P rating of A+ or better<br>Long term S&P rating of AA- or better  | \$3.0 million<br><br>\$1.0 million<br>\$2.0 million<br>\$3.0 million<br>\$4.0 million  |
| Local Authorities where rates are used as security | 60%                                                            | <ul style="list-style-type: none"> <li>Commercial Paper</li> <li>Bonds/MTNs/FRNs</li> </ul>                               | Not Applicable                                                                                                                                                                                               | \$2.0 million<br><br>\$2.0 million                                                     |
| New Zealand Registered Banks                       | 100%                                                           | <ul style="list-style-type: none"> <li>Call/Term Deposits/Bank Bills/Commercial Paper</li> <li>Bonds/MTNs/FRNs</li> </ul> | Short term S&P rating of A1 or better<br><br>Long term S&P rating of BBB or better<br>Long term S&P rating of A- or better<br>Long term S&P rating of A+ or better<br>Long term S&P rating of AA – or better | \$15.0 million<br><br>\$1.0 million<br>\$2.0 million<br>\$3.0 million<br>\$4.0 million |
| State Owned Enterprises                            | 70%                                                            | <ul style="list-style-type: none"> <li>Commercial Paper</li> <li>Bonds/MTNs/FRNs</li> </ul>                               | Short term S&P rating of A1 or better<br><br>Long term S&P rating of BBB or better<br>Long term S&P rating of A- or better<br>Long term S&P rating of A+ or better<br>Long term S&P rating of AA- or better  | \$3.0 million<br><br>\$1.0 million<br>\$2 million<br>\$3.0 million<br>\$4.0 million    |
| Corporates <sup>6</sup>                            | 60%                                                            | <ul style="list-style-type: none"> <li>Commercial Paper</li> <li>Bonds/MTNs/FRNs</li> </ul>                               | Short term S&P rating of A1 or better<br><br>Long term S&P rating of BBB or better<br>Long term S&P rating of A- or better<br>Long term S&P rating of A+ or better<br>Long term S&P rating of AA -or better  | \$3.0 million<br><br>\$1.0 million<br>\$2.0 million<br>\$3.0 million<br>\$4.0 million  |

<sup>6</sup> The combined holding of Corporates and Financials shall not exceed 70% of the portfolio.

| Authorised Asset Classes | Overall Portfolio Limit as a Percentage of the Total Portfolio | Approved Financial Market Investment Instruments (must be denominated in NZ dollars)        | Credit Rating Criteria – Standard and Poor's<br>(or Moody's or Fitch equivalents)                                                                                                                       | Limit for each issuer subject to overall portfolio limit for issuer class         |
|--------------------------|----------------------------------------------------------------|---------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| Financials <sup>7</sup>  | 30%                                                            | <ul style="list-style-type: none"> <li>Commercial Paper</li> <li>Bonds/MTNs/FRNs</li> </ul> | Short term S&P rating of A1 or better<br>Long term S&P rating of BBB or better<br>Long term S&P rating of A- or better<br>Long term S&P rating of A+ or better<br>Long term S&P rating of AA- or better | \$2.0 million<br>\$1.0 million<br>\$2.0 million<br>\$3.0 million<br>\$4.0 million |
| Building Societies       | 20%                                                            | <ul style="list-style-type: none"> <li>Call and Term Deposits</li> </ul>                    | To be individually approved by Council                                                                                                                                                                  | \$3.0 million                                                                     |

1.4.2 Financial investments are held for the following reasons:

- To invest proceeds from the sale of assets.
- To invest funds held as 'Special Funds' for specific purposes.
- To invest amounts allocated for approved future expenditure.
- To invest surplus cash and working capital.

1.4.3 All dividends and interest income will be shown in the applicable revenue account.

1.4.4 Credit risk management:

If any counterparty's credit rating falls below the minimum specified in the above table, then immediate steps are taken to reduce the credit exposure to that counter-party to zero.

Exposures to each counterparty are computed as follows:

On-balance sheet

- Total amounts invested with that counterparty.

Off- balance sheet

- Credit exposure on interest rate contracts computed by multiplying face value of outstanding transactions by an interest rate movement factor of 5%.

1.4.5 Interest rate risk management:

Council's investments give rise to a direct exposure to a change in interest rates, impacting the return and capital value of its investments. The risk is managed by:

- At least \$2 million will be held in short-term deposits (on call)
- The balance can be fixed through physical investment instruments (e.g. term deposits)

1.4.6 Any change to this management will require approval from the Risk and Assurance Sub Committee and Council resolution.

## 1.5 Duration control for Councils Fixed Interest Investment Portfolio (FIIP)

1.5.1 Duration calculates the effective average term of an investment portfolio by combining all individual investments and weighting all the cash flows using a series of net present value calculations.

1.5.2 Duration is then reported as the average life of the portfolio as if it was effectively one investment instrument, e.g. 2.9 years. Establishing a duration control provides a safeguard as it effectively limits

<sup>7</sup> The combined holdings of entities rated BBB and/or BBB+ shall not exceed 25% of the portfolio.

the overall maturity profile of a FIIP.

- 1.5.3 The duration for the Fixed Interest Investment Portfolio shall be controlled by referencing its duration against an appropriate external benchmark. Council is able to vary the duration of the portfolio by no more than 25% either side of the benchmark portfolio's duration. Compliance with the duration control is not required if the nominal value of the FIIP is less than \$5.0 million.

## **1.6 Management Reporting and Procedures**

- 1.6.1 Reports are presented to Council each month as part of the financial report. As a minimum the following information will be reported at least quarterly, which contains the following key details of the FIIP.

- Total nominal value of portfolio
- Weighted average interest rate.
- Comparison with a benchmark portfolio (provided that the benchmark exceeds \$5.0 million)
- Asset class profile (graphically illustrated).
- Credit profile (graphically illustrated).
- Maturity profile (graphically illustrated).
- Duration measurement (provided that the benchmark exceeds \$5.0 million)
- A statement of policy compliance.
- Details of any exception reports.

- 1.6.2 Benchmarking the performance of Council's FIIP

The performance of the FIIP shall be compared against an external benchmark such as one of the NZX's portfolio's or a benchmark portfolio constructed for Council. Compliance with the benchmarking standard is not required if the nominal value of the portfolio is less than \$5.0 million.

## **1.7 New Zealand Local Government Funding Agency (LGFA)**

- 1.7.1 Despite anything earlier in this Investment Policy, the Council may invest in shares and other financial instruments of the New Zealand LGFA and may borrow to fund that investment.

- 1.7.2 The Council's objective in making any such investment will be to:

1.7.2.1 Obtain a return on the investment; and

1.7.2.2 Ensure that the LGFA has sufficient capital to become and remain viable, meaning that it continues as a source of debt funding for the Council.

- 1.7.3 Because of this dual objective, the Council may invest in LGFA shares in circumstances in which the return on that investment is potentially lower than the return it could achieve with alternative investments.

- 1.7.4 If required in connection with the investment, the Council may also subscribe for uncalled capital in the LGFA.

# Liability Management Policy

## Objective

This policy aims to achieve the following:

- To maintain Council's borrowing on a prudent level.
- Borrowing must provide a basis for inter-generational equity.
- Minimise risk.
- Ensure that Council has an on-going ability to meet its debts in an orderly manner as and when they fall due in both the short and long term, through appropriate liquidity and funding risk management.
- Arrange appropriate funding facilities for Council, ensuring they are at market related margins utilising LGFA borrowing, bank debt facilities and/or capital markets as appropriate.
- Maintain lender relationships and Council's general borrowing profile in the local debt and, if applicable, capital markets, so that Council is able to fund itself appropriately at all times.
- Control Council's cost of borrowing through the effective management of its interest rate risks, within the interest rate risk management limits established by the Liability Management Policy.
- Ensure compliance with any financing/borrowing covenants and ratios.
- Maintain adequate internal controls to mitigate operational risks.
- Produce accurate and timely reports that can be relied on by senior management and Council for control and exposure monitoring purposes in relation to the debt raising activities of Council.

### 1.1. Principles

1.1.1. In evaluating any new or renewal borrowing, Council will take the following into consideration:

1.1.1.1. The size and economic life of the project to be funded.

1.1.1.2. The impact of the new debt on borrowing limits.

1.1.2. When raising new Council-approved borrowing, the following must be taken into account:

1.1.2.1. Relevant margins under each borrowing source.

1.1.2.2. Council's overall debt maturity profiles to avoid concentration of debt at roll-over time.

1.1.2.3. Prevailing interest rates relative to term for both stock issuance and bank borrowing given good external advice on potential future interest rate movements.

1.1.2.4. Available terms and pricing from bank debt, bond issuance and LGFA funding provided that Council has not exceeded its limit with the latter.

1.1.2.5. Legal documentation and financial covenants.

### 1.2. Interest rate exposure

1.2.1. The interest rate exposures of Council shall be managed according to the parameters detailed in the following table and shall apply to the projected core debt of Council. Core debt is defined as that contained in the Annual Plan or as otherwise determined by the Group Manager Corporate.

| Fixed Rate Hedging Percentages |                    |                    |
|--------------------------------|--------------------|--------------------|
|                                | Minimum Fixed Rate | Maximum Fixed Rate |
|                                | Amount             | Amount             |
| 0 – 2 years                    | 40%                | 100%               |
| 2 – 4 years                    | 20%                | 80%                |
| 4 – 8 years                    | 0%                 | 60%                |

1.2.2. Any hedging in excess of 8 years must be approved by full Council.

1.2.3. To manage the interest rate risk associated with its debt Council may use the following interest rate risk management instruments:

- 1.2.3.1. Interest rate swaps.
- 1.2.3.2. Swaptions.
- 1.2.3.3. Interest rate options, including collar type structures but only in a ratio of 1:1.
- 1.2.3.4. Forward rate agreements.
- 1.2.3.5. Fixed Rate Term Loans.

### **1.3. Funding and Liquidity**

- 1.3.1. Funding risk is defined as an inability to secure access to external lines of credit sufficient to enable the Council to achieve its strategic short term and long-term objectives where the financial requirements to achieve those goals exceed the funds being generated from operating activities.
- 1.3.2. Funding risk covers both working capital requirements and core debt
- 1.3.3. The Council must approve all new debt funding facilities and/or revision to the parameters of existing debt funding facilities
- 1.3.4. To ensure that all of the Council's debt is not exposed to excessive refinancing risk at any one time, no more than 40% of all debt facilities should mature within a rolling twelve month period. Compliance with this provision is not required if total external debt is less than \$3.0 million.
- 1.3.5. The Group Manager Corporate must renegotiate/replace maturing bank funding facilities on a timely basis. Specifically, the Group Manager Corporate must obtain an indicative letter of offer no later than two months before the maturity of any bank facility. Liquidity risk management has the objective of ensuring that adequate liquid assets and funding sources are available at all times to meet the short-term commitments of the Council as they arise in an orderly manner. Appropriate cash flow reporting mechanisms will be maintained to monitor The Council's estimated liquidity position over the next twelve months.
- 1.3.6. Council shall maintain headroom of not less than 110% of projected core debt'. Core debt is defined as that contained in the Annual Plan or as otherwise determined by the Group Manager Corporate. In calculating the percentage of available headroom financial market investments including call and term deposits can be included as headroom.
- 1.3.7. Liquidity risk may result in Council not being able to meet its day-to-day commitments, including debt maturities. This is not seen to be a major issue except in the event of a major disruption to the financial markets or a natural disaster affecting Council's day-to-day revenues. As a safeguard, the following guidelines will apply:
  - 1.3.7.1. Maintain a Quick Asset Ratio for each of the subsequent months of at least 1:1.
  - 1.3.7.2. Maintain a Disaster Recovery Fund (refer Policy on Special Funds)
  - 1.3.7.3. Retain insurance cover of Council's infrastructure assets
  - 1.3.7.4. Maintain a bank standby facility at a level that will enable Council to meet its obligations in terms of the Quick Asset Ratio above.

### **1.4. Authorised funding methods**

- 1.4.1. Council may obtain funding utilising the following methods:
  - 1.4.1.1. Bank debt.
  - 1.4.1.2. Capital markets issuance comprising Fixed Rate Bonds, Medium Term Notes and Floating Rate Notes.
  - 1.4.1.3. Local Government Funding Agency debt.
  - 1.4.1.4. Internal borrowing

### **1.5. Credit exposure**



1.5.1. Council's ability to readily attract cost effective borrowing is largely driven by:

1.5.1.1. Ability to maintain a strong balance sheet; and

1.5.1.2. Ability to rate; and

1.5.1.3. Manage its image in the market; and

1.5.1.4. Strong and positive relationship with its banker.

## **1.6. Debt repayment**

1.6.1. Council will repay debt from specific reserves, available bank facilities, or general funds.

## **1.7. Specific borrowing limits**

1.7.1. Council acknowledges the potential implications of risk arising from systemic changes in financial or capital markets. Such changes relate primarily to movements in interest rates. In managing this, Council adheres to the following:

1.7.1.1. Total debt will not exceed 20% of total carrying value of assets.

1.7.1.2. The gross debt for rateable activities (debt on activities for which the cost of servicing is included in the rating requirement) will not exceed \$8,600 per rateable property.

1.7.1.3. Net debt<sup>8</sup> will not exceed 175% of total operating revenue.

1.7.1.4. Gross interest must not exceed 15% of total revenue.

1.7.1.5. Gross interest must not exceed 25% of annual rates income.

## **1.8. Security**

1.8.1. Generally, a charge on rates is offered as security which is embedded in Council's Debenture Trust Deed. Should any other form of security be required, Council has to formally approve it.

## **1.9. Internal borrowing**

1.9.1. Council currently holds a sizeable investment portfolio. Council may use these funds in a prudent manner that provides Council with the greatest benefit, including utilising a portion as internally funded borrowing.

1.9.2. This can reduce the net interest cost payable by Council.

1.9.3. Corporate Services is responsible for administering the internal loan portfolio

1.9.4. Council will maintain a sufficient investment portfolio to meet its commitments and reasonable emergency contingencies.

1.9.5. The interest rate charged on loan balances is equivalent to the higher of:

1.9.5.1. Average external cost of raising debt, or

1.9.5.2. The average return on Council fixed interest rate investments

## **1.10. New Zealand Local Government Funding Agency (LGFA)**

1.10.1. Despite anything earlier in this Liability Management Policy, the Council may borrow from the New Zealand LGFA and, in connection with that borrowing, may enter into the following related transactions to the extent it considers necessary or desirable:

1.10.1.1. Contribute a portion of its borrowing back to the LGFA as an equity contribution to the LGFA;

1.10.1.2. Provide guarantees of the indebtedness of other local authorities to the LGFA and of the

<sup>8</sup> Net debt means financial liabilities less financial assets (excluding trade and other receivables) – refer section 3 of Local Government (Financial Reporting and Prudence) Regulations 2014

indebtedness of the LGFA itself;

1.10.1.3. Commit to contributing additional equity (or subordinated debt) to the LGFA if required;

1.10.1.4. Subscribe for shares and uncalled capital in the LGFA; and

1.10.1.5. Secure its borrowing from the LGFA and the performance of other obligations to the LGFA or its creditors with a charge over the Council's rates and rates revenue.

## Reporting

Reports are presented to Council each month as part of the financial report. As a minimum the following information will be reported at least quarterly which contains the following key details of Council's debt and hedging profile.

- Total debt facility utilisation.
- Interest rate hedging profile against percentage hedging limits (graphically illustrated).
- New interest rate hedging transactions completed.
- Weighted average cost of funds.
- Funding maturity profile.
- Details of liquidity.
- A statement of policy compliance.
- Details of any exception reports including remedial action taken or intended to be taken

# Organisational Structure and Internal Controls

## 1.1. Full Council

- 1.1.1 Approve the Investment Policy and Liability Management Policy including any amendments proposed by the Chief Executive.
- 1.1.2 Approve any hedging outside the parameters of the Liability Management Policy.
- 1.1.3 Approve the use of any risk management products not authorised by the Liability Management Policy.
- 1.1.4 Approve on an individual basis investment in Building Societies.
- 1.1.5 Monitor treasury performance through receipt of appropriate reporting.
- 1.1.6 Approve overall borrowing limits on an annual basis through the Annual Plan process.

## 1.2. Chief Executive Officer

- 1.2.1 In the absence of the Group Manager Corporate oversee the funding, interest rate risk management and financial market investment activities of Council.
- 1.2.2 In the absence of the Group Manager Corporate undertake all his/her duties as detailed in the Delegations Manual or delegate the duties as appropriate.
- 1.2.3 Sign documents relating to the financial market activities of Council.

## 1.3. Group Manager Corporate

- 1.3.1 Make decisions regarding all funding and interest rate risk management activities of Council prior to implementation/execution.
- 1.3.2 Review of Council's equity investments and exercising of any voting rights as directed by the delegation manual.
- 1.3.3 Make decisions regarding all financial market investment activities of Council prior to execution.
- 1.3.4 Report to Council on overall treasury activity on a regular basis.
- 1.3.5 Manage the bank lender and capital markets relationships, providing financial information to lenders and negotiate new/amended borrowing facilities or methods for approval by Council.
- 1.3.6 Conduct a review of the Investment Policy and Liability Management Policy every three years or on an 'as required' basis and submit any recommended changes to Council for approval once the necessary statutory processes have been followed.
- 1.3.7 Sign documents relating to the financial market activities of Council.
- 1.3.8 Execute treasury transactions in the absence of the Finance Manager.
- 1.3.9 Sign documents relating to the financial market activities of Council.
- 1.3.10 Check external confirmations of financial market transactions against internal records, provided that they did not transact the deal in the first place.

## 1.4. Finance Manager

- 1.4.1 In the absence of the Group Manager Corporate, undertake all his/her the duties under a delegated authority.
- 1.4.2 Execute treasury transactions.
- 1.4.3 Assist the Group Manager Corporate in the preparation of reports to Council.
- 1.4.4 Check external confirmations against internal records, provided that they did not transact the deal in the first place.

# Significance & Engagement Policy

|                      |                                |                         |                     |
|----------------------|--------------------------------|-------------------------|---------------------|
| <b>Adopted</b>       | <b>26 November 2014</b>        | <b>Review period</b>    | <b>Three yearly</b> |
| <b>Last reviewed</b> | <b>May 2025</b>                | <b>Next review due</b>  | <b>2027</b>         |
| <b>Approved by</b>   | <b>Council</b>                 | <b>Minute reference</b> | <b>21/03/230</b>    |
| <b>Policy owner</b>  | <b>Chief Executive Officer</b> | <b>Adoption Date</b>    | <b>10 June 2025</b> |

## Purpose

To inform and enable both Grey District Council and the community to identify the degree of significance attached to decisions.

This policy will tell you:

- When the community can expect to be engaged in Council’s decision-making processes.
- How Council is likely to engage with the community.
- How Council will assess the significance of the decisions.

## Introduction

The Local Government Act (LGA) 2002 states that one role of a Council is to enable democratic local decision-making and action by, and on behalf of, communities. This policy explains how Council will decide the level of significance that a matter has, the types of matters where the community will be involved in the decision-making process and when the community can expect Council to make a decision on its behalf.

There are many informal ways that Council engages with the community during its everyday business which helps to inform it on community views. There are also decisions that a Council must make which require a more structured form of engagement. This is because of the importance that a matter has within the wider community or for groups within the community.

The first part of this policy sets out how Council will decide whether a matter is ‘significant’. The second part of this policy sets out when and how the community’s views will be heard on these significant, and other, matters.

## Definitions

|                     |                                                                                                                                                                                                                                                            |
|---------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Community</b>    | A group of people living in the same place or having a particular characteristic in common. Includes interested parties, affected people and key stakeholders                                                                                              |
| <b>Consultation</b> | A subset of engagement; A formal process where the community can present their views to the Council on a specific decision that is proposed and made public.                                                                                               |
| <b>Decisions</b>    | Refers to all the decisions made by or on behalf of Council including those made by officers under delegation. Management decisions made by officers under delegation during the implementation of Council decisions will not be deemed to be significant. |
| <b>Engagement</b>   | Is a term used to describe the process of seeking information from the community to inform and assist decision making.                                                                                                                                     |
| <b>Significance</b> | As defined in Section 5 of the Local Government Act (LGA) 2002 “in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the                                                                      |

|                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|---------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                             | <p>degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for,</p> <p>(a) the district or region:</p> <p>(b) any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter:</p> <p>(c) the capacity of the local authority to perform its role, and the financial and other costs of doing so”</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Special Consultative Procedure (SCP)</b> | <p>The Special Consultative procedure (SCP), as outlined in s83 of the LGA 2002, which sets out minimum requirements for engagement including (but not limited to):</p> <ul style="list-style-type: none"> <li>• Making available a Statement of Proposal.</li> <li>• Allowing a minimum of one (1) month to receive written views.</li> <li>• Allowing persons to present views in a spoken manner as per s82(1)(d).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Statement of Proposal</b>                | <p>A document that provides the basis for consultation with the community under the SCP by setting out the Council’s proposition with respect to a particular decision.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Strategic Asset</b>                      | <p>As defined in Section 5 of the LGA 2002 “in relation to the assets held by a local authority, means an asset or group of assets that the local authority needs to retain if the local authority is to maintain the local authority’s capacity to achieve or promote any outcome that the local authority determines to be important to the current or future well-being of the community; and includes—</p> <p>(a) any asset or group of assets listed in accordance with section 76AA(3) by the local authority; and</p> <p>(b) any land or building owned by the local authority and required to maintain the local authority’s capacity to provide affordable housing as part of its social policy; and</p> <p>(c) any equity securities held by the local authority in—</p> <p>(i) a port company within the meaning of the Port Companies Act 1988:(ii) an airport company within the meaning of the Airport Authorities Act 1966”</p> |
| <b>Sub-group</b>                            | <p>Means a general assortment of people within the community that are recognised as a relatively large group or collection, i.e Users of particular area, service or facility in the community.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

## Determining Significance

- 4.1 Local authorities must make decisions about a wide range of matters, and most will have a degree of significance but not all issues will be considered to be ‘significant’. An assessment of the degree of significance of proposals and decisions, and the appropriate level of engagement, will therefore be considered in the early stages of a proposal before decision making occurs.
- 4.2 Council will consider the following matters when assessing the degree of significance of proposals and decisions and the appropriate level of engagement:
- Whether the asset is a strategic asset as listed in *Schedule 3* of this policy.
  - The impact on levels of service provided by Council or the way in which services are delivered.
  - The degree of impact on Council’s debt or the level of rates it charges.
  - Whether it is considered there is significant un-budgeted expenditure (i.e. Unbudgeted Capital Expenditure of more than 10% of total rates value in the year commenced or Unbudgeted Operating Expenditure of more than 1% of total rates value in the year commenced).
  - Whether the decision is reversible and the likely impact on future generations.
  - The impact on the community, how many people are affected and by how much.
  - Whether the decision or action flows from, or promotes, a decision or action that has already been taken by Council or furthers a community outcome, policy, or strategy.

- If there is a history or reasonable expectation of the issue generating wide public interest within the district.

4.3 It may be that only one of the criteria applies but to such a high degree that the decision will be considered 'significant'. Conversely, several criteria may be applicable but to only a low degree and therefore will be considered to have a lower level of significance. Each decision will involve staff making an assessment for consideration by elected members. *Schedule 1* of this policy sets out how the criteria will be used to assess significance.

## Community Engagement

- 5.1 The ways engagement can take place are varied and will be in proportion to the significance of the matter being considered.
- 5.2 There are situations where Council is required to make use of the special consultative procedure as set out in Section 83 of the Local Government Act 2002 or where Council will carry out consultation in accordance with or giving effect to Section 82 of the LGA 2002 on certain matters (regardless of whether they are considered significant as part of this policy). Please refer to *Schedule 1*.
- 5.3 In other engagement processes, however, there are no explicit statutory or legal rules constraining or defining community engagement processes. The Local Government Act 2002 has given local authorities the ability to determine this as appropriate for their communities.
- 5.4 Outside of matters where it remains mandatory for a special consultative procedure to be undertaken, Council will determine the appropriate level of engagement on a case by case basis.
- 5.5 Council may decide that it will use a special consultative procedure if the matter is of high significance, or it may choose another form of appropriate consultation. In instances where significance is judged to be moderate, engagement with the community could involve consulting through an advisory committee or focus group, public meetings or surveys. Refer to *Schedule 2*.
- 5.6 When Council decides that a matter is of low to moderate significance, or in instances where it is considered that the views of the community are already known, it may make a decision on behalf of the community and then inform the community of the outcome. This may be, for instance, through publication on the Council website, in the local media or other appropriate means.
- 5.7 When Council makes a decision that is significantly inconsistent with this policy, the steps identified in Section 80 of the Local Government Act 2002 will be undertaken.

## Principles of Engagement

- 6.1 In any engagement process undertaken with the community, that engagement will be in proportion to the matter being considered. When any engagement takes place, other than simply providing information, we will:
- Seek to hear from everyone affected by a decision.
  - Ask for views early in the decision-making process so that there is enough time for feedback to be provided and for this to be considered properly.
  - Listen and consider views in an open and honest way.
  - Respect everyone's point of view.
  - Provide information that is clear and easy to understand.
  - Consider different ways in which the community can share views with us.
  - Ensure that the engagement process is efficient and cost effective.

## Information Requirements

- 7.1 Council will ensure that, when conducting any engagement or consultation process in relation to a significant decision, it provides:
- Clear information on what is being proposed and why it is being proposed.
  - Sufficient information on which to provide meaningful feedback.

- The advantages and disadvantages of each option being considered.
- What impacts, if any, will occur if the proposal goes ahead.
- How the community can provide its views.
- The timeframe to complete the community engagement or consultation.
- How submitters and participants can learn about the outcome.

## Engagement with Iwi

- 8.1 Council recognises the Partnership/Rangapu Committee and Memorandum of Understanding with Te Rūnanga O Ngāti Waewae as a basis of engagement with Tangata Whenua within the district.
- 8.2 Council recognises that Māori as Tangata Whenua have a unique relationship with Council through the Treaty of Waitangi and supporting legislation.
- 8.3 Council will recognise Māori cultural values and consider Māori interests, particularly their relationship to land and water.
- 8.4 Council will establish and maintain processes to provide opportunities for Māori to be consulted and contribute to decision-making processes. In doing so, Council acknowledges that when engaging with Māori, face to face meetings are preferred. Other tools such as Heads of Agreement, Memorandums of Understanding or other similar high-level agreements may also be considered.

## When Will Council Not Engage?

- 9.1 There are times when it will not be appropriate to engage with the community on certain matters. Examples of this include where the Council:
  - Is protecting the privacy and safety of individuals (as provided for in the Privacy Act 1993).
  - Is maintaining confidentiality and/or commercial sensitivity to enable Council to carry out commercial activity or negotiations without prejudice (as provided for in the Local Government Official Information and Meetings Act 1987).
  - Is acting with urgency in a crisis (for example, under the Civil Defence Emergency Management Act 2002).
  - Already has clear direction on a strategy or plan and has already made up its mind about an issue and therefore does not have a sufficiently open mind to carry out meaningful engagement.

## Delegations

- 10.1 Elected Members will retain all decision-making authority relating to the determination of the significance of issues, proposal and decisions and how we engage on those.

## SCHEDULE 1 – Guide to Significance and Criteria

This table provides general guidance for applying the significance criteria.

| Rating   | Key Considerations                                                                                                                                                                                                                                                                                                                                                      | Examples                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Engagement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| High     | <ul style="list-style-type: none"> <li>Affects a wide range of people</li> <li>Has high public interest</li> <li>Large consequences for the district or region</li> <li>Large impact on the Council being able to perform its role</li> <li>Highly difficult to reverse</li> <li>Does not have a strong and logical flow from a prior decision</li> </ul>               | <ul style="list-style-type: none"> <li>Adopting or amending a significant bylaw, where there is high public interest</li> <li>Adopting a policy that has wide community interest</li> <li>A major change to Council user fees and charges that affects a wide range of outside of the Long-Term Plan process</li> <li>Long-Term Plan Consultation Document</li> <li>Sale or Disposal of a strategic asset</li> <li>A major non-essential infrastructure project that has not previously been signalled through Long-Term or Annual Plan processes</li> </ul> | <p>If a matter is of high significance, Council must engage with the community under this policy. This will likely involve large scale publicity and promotion. There could be an informal engagement or discussion phase plus a formal phase of consultation. There is likely to be a need of consideration of different cultural styles and needs for engagement. Likely to include a range of events with online activities included in this.</p> <p>Refer to Schedule 2 – Community Engagement Guide, likely to include Inform, Consult, Involve and possibly Collaborate.</p> |
| Moderate | <ul style="list-style-type: none"> <li>Affects sub-group of the community</li> <li>Has moderate public interest</li> <li>Moderate consequences for the district or region</li> <li>Moderate impact on Council being able to performs its role</li> <li>Moderately difficult to reverse</li> <li>Flows from a prior decision but with some notable variations</li> </ul> | <ul style="list-style-type: none"> <li>An amendment or adoption of a bylaw that will affect a sub-group or have moderate public interest</li> <li>Adoption of a policy that has moderate community interest</li> <li>A change to Council user fees and charges that affects a sub-group</li> <li>Adoption of an Annual Plan</li> </ul>                                                                                                                                                                                                                       | <p>If a matter is of moderate significance, Council may decide on an appropriate level of engagement to the level of significance attached to the amendment, adoption, or change.</p> <p>It may involve targeted engagement with the affected audience, online engagement which may include a survey and social media. Information available through libraries and services centres. Promotion could be online, the local media or through the printed Council newsletter.</p> <p>Refer to Schedule 2 – Community Engagement Guide, likely to include Inform or Consult.</p>       |
| Low      | <ul style="list-style-type: none"> <li>Affects individuals</li> <li>Has very little public interest</li> <li>Low consequences for the district or region</li> <li>Low impact on Council being able to performs its role</li> </ul>                                                                                                                                      | <ul style="list-style-type: none"> <li>A minor amendment to a policy.</li> <li>Adoption of a policy that has low public interest and does not affect the wider community or a sub-group.</li> <li>A moderate change in the way an activity operates</li> <li>A minor investment A minor change to user fees and charges</li> </ul>                                                                                                                                                                                                                           | <p>If a matter is of low significance the Council can choose to not engage unless required by legislation, otherwise may choose to adopt some of the methods above.</p> <p>Refer to Schedule 2 – Community Engagement Guide, could include Inform if desired.</p>                                                                                                                                                                                                                                                                                                                  |



## SCHEDULE 2 – Community Engagement Guide

The level to which the Council will engage will align with the significance of the decision to be made as per the scale provided in *Schedule 1*. It will not always be appropriate or practicable to conduct processes at the 'collaborate' or 'empower' 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. In general, the more significant an issue, the greater the need for community engagement.

| Level              | Goal                                                                                                                                                      |
|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Inform</b>      | To provide the public with balanced and objective information to assist them in understanding the problems, alternatives, opportunities and/or solutions. |
| <b>Consult</b>     | To obtain public feedback on analysis, alternatives and/or decisions.                                                                                     |
| <b>Involve</b>     | To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.        |
| <b>Collaborate</b> | To partner with the public in each aspect of the decision including the development of alternatives and identification of the preferred solution.         |
| <b>Empower</b>     | To place final decision making in the hands of the public.                                                                                                |

There are many ways we engage with the community; Council may use a variety of engagement tools. The tools in the table below show some examples that Council may use, some of these tools may be used across the many levels of engagement.

| Inform                                                                                                                                              | Consult                                                                                                                                                                                        | Involve                                                                                  | Collaborate                                                                                                |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|
| Public notices<br>Media release<br>Advertisements<br>Email<br>Information flyers<br>Radio advertising<br>Social media<br>Website<br>Council agendas | Written submissions<br>Public meetings<br>Public drop-in session<br>Social media<br>Attendance at community group meeting<br>Information stands (field days, community markets etc)<br>Surveys | Stakeholder workshops<br>Seminars<br>Exhibitions<br>Open days<br>Public drop-in sessions | Community/Stakeholder Working groups<br>Community advisory groups<br>Partnership forums<br>Citizens panels |

## **SCHEDULE 3 – Strategic Assets**

The following is a list of assets or group of assets that the Council needs to retain if it is to maintain its capacity to achieve or promote any outcome that it determines to be important to the current or future well-being of the community:

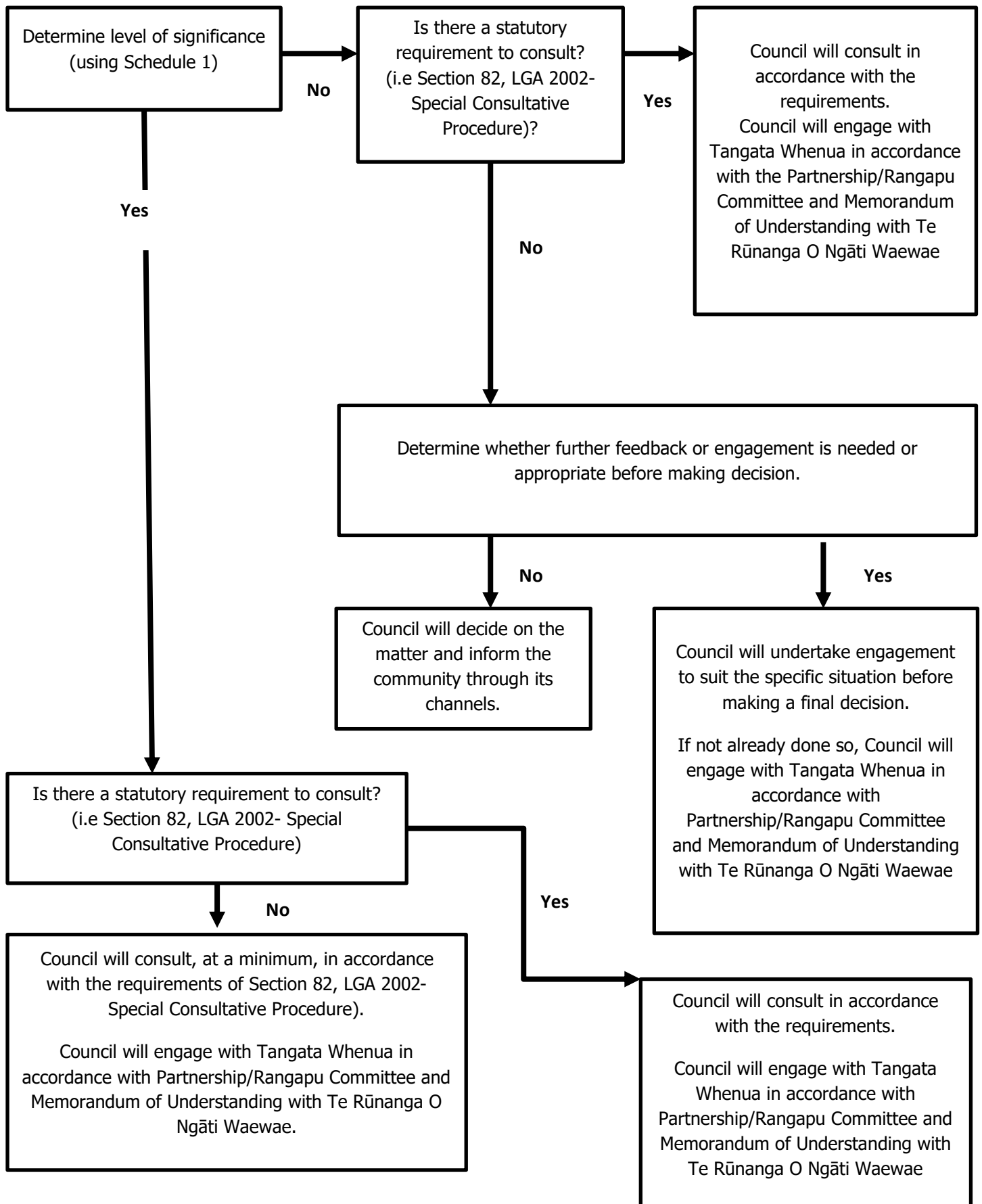
- Roading and traffic network, footpaths, streetlights and parking
- Council's housing portfolio
- Council's leasehold portfolio
- Water, treatment, storage, and reticulation network
- Wastewater reticulation and treatment facilities
- Stormwater network
- Reserves
- Public toilets
- Cemeteries
- Solid Waste
- Port
- Floodwalls
- Aerodrome
- Community facilities
- Council Administration Buildings

However, not all decisions made regarding these assets will be significant. For example, the road and traffic network is strategic, but the purchase or sale of small land parcels that make up the network may not amount to a significant decision.

## **SCHEDULE 4 – Relevant Legislation and References**

- Local Government Act 2002
- Privacy Act 1993
- Local Government Official Information and Meetings Act 1987
- Civil Defence Emergency Management Act 2002
- Port Companies Act 1988
- Airport Authorities Act 1966
- Memorandum of Understanding – Grey District Council and Te Rūnanga O Ngāti Waewae
- Grey District Branding and Style Guide 2015

## SCHEDULE 5 – Process to determine how to engage



# **PART I: Fees and charges**

# Council services and facilities

These fees cover the major items charged out by Council and are not a comprehensive list of all fees and charges.

## Administration - Charge Out Rates

|                                          | 2024/2025 fee including GST | 2025/2026 fee including GST | % increase |
|------------------------------------------|-----------------------------|-----------------------------|------------|
| Management/CEO                           | \$250.00                    | \$257.00                    | 2.80%      |
| Engineers                                | \$200.00                    | \$205.60                    | 2.80%      |
| Engineering Assistants/Officers          | \$180.00                    | \$185.00                    | 2.78%      |
| Planners                                 | \$200.00                    | \$205.60                    | 2.80%      |
| Planning Assistants/Officers             | \$170.00                    | \$174.80                    | 2.82%      |
| Residential Building Officers            | \$200.00                    | \$205.60                    | 2.80%      |
| Commercial Building Officers             | NEW                         | \$230.00                    | NEW        |
| Environmental Health Officers            | \$200.00                    | \$205.60                    | 2.80%      |
| Compliance Officer                       | \$200.00                    | \$205.60                    | 2.80%      |
| Animal Control Officer                   | \$180.00                    | \$185.00                    | 2.78%      |
| Administration/Customer Service Officers | \$150.00                    | \$154.20                    | 2.80%      |
| Maintenance Officer                      | \$80.00                     | \$82.20                     | 2.75%      |
| Consultant Engineer/Specialist           | Charged at actual cost      | Charged at actual cost      |            |

\* Fees and actual time hours are recoverable from applicants and exacerbators

## Aerodrome

### Aircraft weight (kg) MCTOW

|               |                    |         |         |       |
|---------------|--------------------|---------|---------|-------|
| 0 - 600       | <i>per landing</i> | \$8.50  | \$8.70  | 2.35% |
| 601- 1,500    | <i>per landing</i> | \$15.00 | \$15.40 | 2.67% |
| 1,501 - 2,500 | <i>per landing</i> | \$23.00 | \$23.60 | 2.61% |
| 2,501 - 3,500 | <i>per landing</i> | \$33.00 | \$33.90 | 2.73% |
| 3,501 - 4,500 | <i>per landing</i> | \$49.00 | \$50.40 | 2.86% |
| 4,501 - 5,700 | <i>per landing</i> | \$65.00 | \$66.80 | 2.77% |

|                                                                              |                    |          |          |       |
|------------------------------------------------------------------------------|--------------------|----------|----------|-------|
| Helicopters                                                                  | <i>per landing</i> | \$11.00  | \$11.30  | 2.73% |
| Annual fixed landing fee for not for profit clubs, per aircraft under 1500kg | <i>per annum</i>   | \$180.00 | \$185.00 | 2.78% |

Note:

- Touch and go Practice Landings treated as One Landing
- Discounts and flat fees available for bulk advanced payments by regular users and/or clubs
- Rates for aircraft weights above 5700kg available on application and clearance to use facility

|                        |                               |         |         |       |
|------------------------|-------------------------------|---------|---------|-------|
| Lights                 | <i>per activation</i>         | \$11.50 | \$11.80 | 2.61% |
| Account processing fee | <i>per account processing</i> | \$11.50 | \$11.80 | 2.61% |

## Aerodrome contd.

|                                                                    |                                | 2024/2025 fee<br>including GST | 2025/2026 fee<br>including GST | % increase |
|--------------------------------------------------------------------|--------------------------------|--------------------------------|--------------------------------|------------|
| <b>Events</b>                                                      |                                |                                |                                |            |
| Closure for events - runway only                                   | <i>per day or part thereof</i> | \$2,569.00                     | \$2,640.90                     | 2.80%      |
| Closure for events - aerodrome excluding runway<br>(i.e. laneways) | <i>per day or part thereof</i> | \$3,852.00                     | \$3,959.90                     | 2.80%      |
| Closure for events - aerodrome including runway                    | <i>per day or part thereof</i> | \$6,419.00                     | \$6,598.70                     | 2.80%      |

Note:

- Touch and Go Practice Landings treated as One Landing
- Discounts and flat fees available for bulk advance payments by regular users and/or clubs
- Rates for aircraft weights above 5700kg available on application and clearance to use facility
- Closure of runway or aerodrome for events is subject to conditions, including access for emergencies

## Animal Control

### Dog Registration

|                                                               |  |                |                |        |
|---------------------------------------------------------------|--|----------------|----------------|--------|
| Pet                                                           |  | \$130.00       | \$143.00       | 10.00% |
| Desexed                                                       |  | \$97.00        | \$105.00       | 8.25%  |
| Working                                                       |  | \$55.00        | \$56.50        | 2.73%  |
| Late Registration                                             |  | 50% additional | 50% additional |        |
| First Registration of Welfare Animal via Registered Authority |  | NEW            | \$10.00        |        |
| Replacement Registration Tag                                  |  | \$3.50         | \$3.50         | 0.00%  |

### Gold Card Discount

|                             |                                                                  |                              |                              |  |
|-----------------------------|------------------------------------------------------------------|------------------------------|------------------------------|--|
| 20% of Cost of Registration | <i>Gold Card to be viewed at time of renewal or registration</i> | 20% off cost of registration | 20% off cost of registration |  |
|-----------------------------|------------------------------------------------------------------|------------------------------|------------------------------|--|

### Dog Impounding

|             |                        |          |          |       |
|-------------|------------------------|----------|----------|-------|
| 1st Offence |                        | \$120.00 | \$123.40 | 2.83% |
| 2nd Offence |                        | \$240.00 | \$246.70 | 2.79% |
| 3rd Offence |                        | \$240.00 | \$246.70 | 2.79% |
| Sustenance  | <i>per day per dog</i> | \$15.00  | \$15.40  | 2.67% |

### Stock Impounding

|                                                                                  |                          |                  |                  |        |
|----------------------------------------------------------------------------------|--------------------------|------------------|------------------|--------|
| Impounding fee                                                                   | <i>per head of stock</i> | \$170.00         | \$250.00         | 47.06% |
| Sustenance                                                                       | <i>per day</i>           | cost recoverable | cost recoverable |        |
| Any additional costs associated with impoundment, ie trailer or transporter hire |                          | cost recoverable | cost recoverable |        |

### After Office Hours

|                           |  |                                        |               |     |
|---------------------------|--|----------------------------------------|---------------|-----|
| Applicable Fee above Plus |  | staff hourly charge out rate + mileage | \$185.00      |     |
| Mileage                   |  |                                        | \$1.50 per km |     |
| Callout Fee               |  | NEW                                    | \$150.00      | NEW |

| Building                                                                                                                                |                                                     | 2024/2025 fee including GST | 2025/2026 fee including GST               | % increase |
|-----------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|-----------------------------|-------------------------------------------|------------|
| Except for set fees, all fees listed are DEPOSITS only. The balance will be charged at the rates specified.                             |                                                     |                             |                                           |            |
| <b>Building Levies</b>                                                                                                                  |                                                     |                             |                                           |            |
| MBIE levy - charged per \$1,000 estimated value of building work on projects with estimated value of building work \$65,000 or greater  |                                                     | NEW                         | \$1.75                                    | NEW        |
| BRANZ levy - charged per \$1,000 estimated value of building work on projects with estimated value of building work \$20,000 or greater |                                                     | NEW                         | \$1.00                                    | NEW        |
| <b>Charged to all consent applications</b>                                                                                              |                                                     |                             |                                           |            |
| Building Consent Accreditation levy                                                                                                     | per \$1,000 of building work (levy capped at \$10k) | \$3.20                      | \$3.00 (capped at \$10,000 per project)   | 0.00%      |
| Administration fee                                                                                                                      | Per consent - Residential                           | \$100.00                    | \$155.00                                  | 55.00%     |
| RMA/Planning Check                                                                                                                      | Per consent                                         | NEW                         | \$100.00                                  | NEW        |
| <b>Electronic Consenting System Fees - charged on application lodgement</b>                                                             |                                                     |                             |                                           |            |
| Building Consents and Amendments, Incl. PIM - value of work equal to or less than \$124,999                                             | per application                                     | NEW                         | \$92.00                                   | NEW        |
| Building Consents and Amendments, Incl. PIM - value of work \$125,000 - \$2,499,999                                                     | variable                                            | NEW                         | 0.08% of estimated value of building work | NEW        |
| Building Consents and Amendments, Incl. PIM - value equal to or greater than \$2,500,000                                                | per application                                     | NEW                         | \$2,156.25                                | NEW        |
| PIM only                                                                                                                                |                                                     | NEW                         | \$92.00                                   | NEW        |
| Certificate of Acceptance - value of work equal to or less than \$124,999                                                               | per application                                     | NEW                         | \$92.00                                   | NEW        |
| Certificate of Acceptance - value of work \$125,000 - \$2,499,999                                                                       | variable                                            | NEW                         | 0.08% of estimated value of building work | NEW        |
| Certificate of Acceptance - value equal to or greater than \$2,500,000                                                                  | per application                                     | NEW                         | \$2,156.25                                | NEW        |
| Discretionary Exemption from the need to apply for building consent - Schedule 1(2)                                                     |                                                     | NEW                         | \$92.00                                   | NEW        |
| <b>Building Warrant of Fitness Fees</b>                                                                                                 |                                                     |                             |                                           |            |
| BWOF - receiving and checking on or before due date                                                                                     |                                                     | \$300.00                    | \$300.00                                  | 0.00%      |
| BWOF with x1 system receiving and checking on or before due date                                                                        |                                                     | \$100.00                    | \$100.00                                  | 0.00%      |
| BWOF - receiving and checking after due date                                                                                            |                                                     | \$600.00                    | \$600.00                                  | 0.00%      |
| BWOF Audits                                                                                                                             | at hourly rate                                      |                             | at hourly rate                            |            |
| Form 11 Processing                                                                                                                      |                                                     | NEW                         | at hourly rate                            | NEW        |
| <b>Deposits Only (Costs to be Charged based on Actual Time)</b>                                                                         |                                                     |                             |                                           |            |
| PIM (only) - Residential                                                                                                                | deposit only                                        | \$380.00                    | \$235.00                                  | -38.16%    |

| Building contd.                                                                                               |                                  | 2024/2025<br>fee<br>including<br>GST                | 2025/2026 fee<br>including GST                | %<br>increase |
|---------------------------------------------------------------------------------------------------------------|----------------------------------|-----------------------------------------------------|-----------------------------------------------|---------------|
| PIM (only) - Commercial                                                                                       | deposit only                     | \$380.00                                            | \$340.00                                      | -10.53%       |
| CCC processing fee (applied to all consents with deposit based fees)                                          | deposit only                     | \$250.00                                            | \$257.00                                      | 2.80%         |
| Schedule 1 (clause 2) exemption application                                                                   | deposit only                     | \$250.00                                            | \$400.00                                      | 60.00%        |
| Fire Installations                                                                                            | deposit only                     | \$600.00<br>(additional inspections at hourly rate) | \$635 (additional inspections at hourly rate) | 5.83%         |
| Minor building works (<\$5,000 and not listed elsewhere in this schedule)                                     | deposit only                     | \$825.00                                            | \$848.10                                      | 2.80%         |
| Minor plumbing & drainage (incl. separation of services where no septic tank)                                 | deposit only                     | \$732.00                                            | \$752.50                                      | 2.80%         |
| Residential separation of drainage services where value of work is <\$20,000 (incl. 1 inspection only)        | per consent                      | NEW                                                 | \$950.00                                      | NEW           |
| Commercial separation of drainage services                                                                    | deposit only                     | NEW                                                 | \$1,000.00                                    | NEW           |
| Relocated buildings                                                                                           | deposit only                     | \$2,809.00                                          | \$2,887.70                                    | 2.80%         |
| <b>Residential - Deposits Only (Costs to be Charged based on Actual Time + CCC fee to be added)</b>           |                                  |                                                     |                                               |               |
| Garages/carports                                                                                              | deposit only                     | \$1,145.50                                          | \$1,177.60                                    | 2.80%         |
| Minor Alterations                                                                                             | deposit only                     | \$1,486.50                                          | \$1,528.10                                    | 2.80%         |
| Major Alterations                                                                                             | deposit only                     | \$2,520.00                                          | \$2,590.60                                    | 2.80%         |
| New Dwellings                                                                                                 | deposit only                     | \$5,000.00                                          | \$5,140.00                                    | 2.80%         |
| Multi-Unit Residential                                                                                        | deposit only                     | \$7,890.50                                          | \$8,111.40                                    | 2.80%         |
| Demolition - large /commercial                                                                                |                                  | \$1,109.50                                          | \$1,140.60                                    | 2.80%         |
| <b>Industrial/Commercial - Deposits Only (Costs to be Charged based on Actual Time + CCC fee to be added)</b> |                                  |                                                     |                                               |               |
| Minor alterations                                                                                             | deposit only                     | \$1,865.50                                          | \$1,917.70                                    | 2.80%         |
| Major Alterations                                                                                             | deposit only                     | \$8,743.00                                          | \$8,987.80                                    | 2.80%         |
| Workshops                                                                                                     | deposit only                     | \$2,991.00                                          | \$3,074.70                                    | 2.80%         |
| Dairy sheds                                                                                                   | deposit only                     | \$5,424.00                                          | \$5,575.90                                    | 2.80%         |
| Shop/Office - single                                                                                          | deposit only                     | \$6,518.00                                          | \$6,700.50                                    | 2.80%         |
| Shop/Office - complex                                                                                         | deposit only                     | \$9,761.50                                          | \$10,034.80                                   | 2.80%         |
| Industrial/commercial multi-function complex                                                                  | deposit only                     | \$15,727.50                                         | \$16,167.90                                   | 2.80%         |
| Outbuildings                                                                                                  | deposit only                     | \$1,317.50                                          | \$1,354.40                                    | 2.80%         |
| Ancillary                                                                                                     | deposit only                     | \$1,317.50                                          | \$1,354.40                                    | 2.80%         |
| <b>Communal residential and non-residential</b>                                                               |                                  |                                                     |                                               |               |
| Community service/care                                                                                        | deposit only                     | \$7,091.00                                          | \$7,289.50                                    | 2.80%         |
| <b>Other charges</b>                                                                                          |                                  |                                                     |                                               |               |
| Certificate of Public Use                                                                                     | For the 1st CPU                  | \$250 flat fee plus hourly rate                     | \$250 flat fee plus hourly rate               | 0.00%         |
| Certificate of Public Use                                                                                     | For the 2nd and subsequent CPU's | NEW                                                 | \$500 flat fee plus hourly rate               | NEW           |



## Building contd.

|                                                                                                                     | 2024/2025<br>fee<br>including<br>GST | 2025/2026 fee<br>including GST   | %<br>increase |
|---------------------------------------------------------------------------------------------------------------------|--------------------------------------|----------------------------------|---------------|
| Consultants/Peer Review                                                                                             | at cost                              | at cost                          |               |
| Comments on Draft Applications/Pre application advice<br>(note first <b>HALF HOUR</b> free then staff hourly rates) | staff hourly<br>charge out<br>rates  | staff hourly<br>charge out rates |               |
| Signing section 73 & 75                                                                                             | NEW                                  | \$350.00                         | NEW           |
| Building code waiver/modification request                                                                           | NEW                                  | \$155.00                         | NEW           |
| Consent (BC) extension request                                                                                      | \$120.00                             | \$175.00                         | 45.83%        |
| CCC extension request                                                                                               | NEW                                  | \$175.00                         | NEW           |

## Compliance

|                                           |                                             |                                              |  |
|-------------------------------------------|---------------------------------------------|----------------------------------------------|--|
| Swimming pool re-inspection               | staff hourly<br>rate (refer<br>charge-outs) | staff hourly rate<br>(refer charge-<br>outs) |  |
| Legal advice and Consultants              | at cost                                     | at cost                                      |  |
| Work done for a Certificate of Acceptance | 100% loading<br>on normal<br>charges        | 100% loading on<br>normal charges            |  |
| Work done following a Notice to Fix       | 100% loading<br>on normal<br>charges        | 100% loading on<br>normal charges            |  |
| Issuing a Section 124 Notice              | \$375.00                                    | \$100 flat fee<br>plus hourly rate           |  |
| Issuing Notice to Fix                     | \$375.00                                    | \$100 flat fee<br>plus hourly rate           |  |

## Cemeteries

### Plot purchase

|                |           |           |       |
|----------------|-----------|-----------|-------|
| Plot Purchase  | \$550.00  | \$565.40  | 2.80% |
| Cremation Berm | \$220.00  | \$226.20  | 2.82% |
| Baby Plots     | \$130.00  | \$133.60  | 2.77% |
| RSA Plots      | No Charge | No Charge |       |
| Paupers' Plots | No Charge | No Charge |       |

### Maintenance in perpetuity

|                |           |           |       |
|----------------|-----------|-----------|-------|
| Single Plot    | \$850.00  | \$873.80  | 2.80% |
| Cremation Berm | \$220.00  | \$226.20  | 2.82% |
| Baby Plots     | \$160.00  | \$164.50  | 2.81% |
| RSA Plots      | No Charge | No Charge |       |
| Paupers' Plots | No Charge | No Charge |       |

### Interment

|                   |          |          |       |
|-------------------|----------|----------|-------|
| 12 years and over | \$450.00 | \$462.60 | 2.80% |
| Under 12 Years    | \$180.00 | \$185.00 | 2.78% |
| Stillborn         | \$90.00  | \$92.50  | 2.78% |

## Cemeteries contd.

|                           |                          | 2024/2025 fee<br>including GST | 2025/2026 fee<br>including GST | % increase |
|---------------------------|--------------------------|--------------------------------|--------------------------------|------------|
| Ashes                     |                          | \$180.00                       | \$185.00                       | 2.78%      |
| Disinterment              |                          | \$600.00                       | \$616.80                       | 2.80%      |
| Re-interment              |                          | \$600.00                       | \$616.80                       | 2.80%      |
| Disinterment Ashes        |                          | \$230.00                       | \$236.40                       | 2.78%      |
| Re-interment Ashes        |                          | \$230.00                       | \$236.40                       | 2.78%      |
| Extra Depth (over 6ft)    |                          | \$180.00                       | \$185.00                       | 2.78%      |
| Weekend & Public Holidays | <i>additional charge</i> | \$320.00                       | \$329.00                       | 2.81%      |
| Lowering Device           |                          | \$65.00                        | \$66.80                        | 2.77%      |
| Memorial Permit           |                          | \$45.00                        | \$46.30                        | 2.89%      |

## Health

### Food Licensing

|                                                                                                 |  |                                                        |                                                        |         |
|-------------------------------------------------------------------------------------------------|--|--------------------------------------------------------|--------------------------------------------------------|---------|
| Initial Registrations and Renewals for Food Control Plans                                       |  | \$150.00                                               | \$220.30                                               | 46.87%  |
| Initial Registrations and Renewals for National Programmes                                      |  | \$150.00                                               | \$220.30                                               | 46.87%  |
| All further work (including verification, audits, investigation enforcement and administration) |  | hourly charge out rate per appropriate Council officer | hourly charge out rate per appropriate Council officer |         |
| No Kitchen facilities                                                                           |  | \$400.00                                               | \$411.20                                               | 2.80%   |
| Hairdressers                                                                                    |  | \$220.00                                               | \$250.00                                               | 13.64%  |
| Camping/Offensive Trades                                                                        |  | \$750.00                                               | \$250.00                                               | -66.67% |
| Mortuaries                                                                                      |  | \$150.00                                               | \$350.00                                               | 133.33% |

## Libraries

|                                                                   |                               | 2024/2025 fee<br>including GST | 2025/2026 fee<br>including GST | % increase |
|-------------------------------------------------------------------|-------------------------------|--------------------------------|--------------------------------|------------|
| <b>Loan</b>                                                       |                               |                                |                                |            |
| New Fiction                                                       | <i>per book per two weeks</i> | N/A                            | N/A                            |            |
| Hot Picks Collection (selected new adult fiction and non-fiction) | <i>per book per two weeks</i> | \$3.20                         | \$3.20                         | 0.00%      |
| Rental Fiction                                                    | <i>per book</i>               | \$1.20                         | \$1.20                         | 0.00%      |
| Non-Fiction                                                       | <i>per book</i>               | No charge                      | No charge                      |            |
| All children's materials                                          | <i>per book</i>               | No charge                      | No charge                      |            |
| Large Print                                                       | <i>per book</i>               | \$1.20                         | \$1.20                         | 0.00%      |
| Large print subscription                                          | <i>per year</i>               | \$14.00                        | \$14.00                        | 0.00%      |
| Talking Books/audios *                                            | <i>per unit</i>               | \$2.20                         | \$2.20                         | 0.00%      |
| * no charge for children's & for people with disabilities         |                               |                                |                                |            |
| DVDs (Adults)                                                     | <i>per unit per week</i>      | \$3.50                         | \$3.50                         | 0.00%      |
| DVDs (Junior)                                                     | <i>per unit per week</i>      | \$1.20                         | \$1.20                         | 0.00%      |
| Magazines                                                         | <i>per unit per week</i>      | \$0.70                         | \$0.70                         | 0.00%      |
| <b>Fines</b>                                                      |                               |                                |                                |            |

## Libraries

|                                                                                       |                                                                       | 2024/2025 fee<br>including GST | 2025/2026 fee<br>including GST | % increase |
|---------------------------------------------------------------------------------------|-----------------------------------------------------------------------|--------------------------------|--------------------------------|------------|
| Adult                                                                                 | <i>per day (max \$10 per item)</i>                                    | \$0.40                         | \$0.40                         | 0.00%      |
| Young adult and children's cards                                                      |                                                                       | N/A                            | N/A                            |            |
| <b>Other</b>                                                                          |                                                                       |                                |                                |            |
| Book Reserve Fee                                                                      | <i>per book</i>                                                       | \$1.20                         | \$1.20                         | 0.00%      |
| Non Resident Subscription                                                             | <i>12 months</i>                                                      | \$70.00                        | \$70.00                        | 0.00%      |
|                                                                                       | <i>six months</i>                                                     | \$40.00                        | \$40.00                        | 0.00%      |
|                                                                                       | <i>three months</i>                                                   | \$23.00                        | \$23.00                        | 0.00%      |
| Visitor Membership                                                                    | <i>per month</i>                                                      | \$23.00                        | \$23.00                        | 0.00%      |
| Replacement Library Card                                                              | <i>each</i>                                                           | \$6.00                         | \$6.00                         | 0.00%      |
| Interloan from National Library of New Zealand<br>and Interloan partnership libraries | <i>per book</i>                                                       | \$8.00                         | \$8.00                         | 0.00%      |
| Interloan with libraries without agreement                                            | <i>per book plus any other<br/>charges above standard<br/>charges</i> | \$25.00                        | \$25.00                        | 0.00%      |
| Damaged Book Charges - Adult                                                          | <i>per book</i>                                                       | at cost                        | at cost                        |            |
| Research undertaken                                                                   | <i>Initial research query (up to<br/>30 minutes)</i>                  | NEW                            | \$15.00                        | NEW        |
| Research undertaken                                                                   | <i>Per hour</i>                                                       | NEW<br>\$0.00                  | \$45.00                        | NEW        |
| <b>Photocopying</b>                                                                   |                                                                       |                                |                                |            |
| Normal A4 - black and white                                                           | <i>per single sided sheet</i>                                         | \$0.30                         | \$0.30                         | 0.00%      |
| Normal A4 - colour                                                                    | <i>per single sided sheet</i>                                         | \$2.20                         | \$2.20                         | 0.00%      |
| Normal A3 - black and white                                                           | <i>per single sided sheet</i>                                         | \$0.50                         | \$0.50                         | 0.00%      |
| Normal A3 - colour                                                                    | <i>per single sided sheet</i>                                         | \$4.40                         | \$4.40                         | 0.00%      |
| <b>Aotearoa People's Network Printing</b>                                             |                                                                       |                                |                                |            |
| Normal A4 - black and white                                                           | <i>per single sided sheet</i>                                         | \$0.30                         | \$0.30                         | 0.00%      |
| Normal A4 - black and white                                                           | <i>per double sided sheet</i>                                         | \$0.50                         | \$0.50                         | 0.00%      |
| Normal A4 - colour                                                                    | <i>per single sided sheet</i>                                         | \$2.00                         | \$2.00                         | 0.00%      |
| Normal A4 - colour                                                                    | <i>per double sided sheet</i>                                         | \$4.40                         | \$4.40                         | 0.00%      |
| <b>Noise Control</b>                                                                  |                                                                       |                                |                                |            |
| Noise control - call out                                                              |                                                                       | \$300.00                       | \$308.40                       | 2.80%      |
| Seizure of equipment                                                                  |                                                                       | \$300.00                       | \$308.40                       | 2.80%      |

| Official Information                       |                                                                                                                                                                                                                                                                                                          | 2024/2025 fee<br>including GST                                      | 2025/2026 fee<br>including GST                                      | % increase |
|--------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|---------------------------------------------------------------------|------------|
| Property file queries                      | <i>per hour</i>                                                                                                                                                                                                                                                                                          | \$160.00                                                            | \$175.00                                                            | 9.38%      |
| Property file requests                     | <i>per file</i>                                                                                                                                                                                                                                                                                          | \$35.00                                                             | \$40.00                                                             | 14.29%     |
| LIMs                                       |                                                                                                                                                                                                                                                                                                          | -                                                                   | -                                                                   |            |
| - Residential                              |                                                                                                                                                                                                                                                                                                          | \$580.00                                                            | \$580.00                                                            | 0.00%      |
| <b>LGOIMA</b>                              |                                                                                                                                                                                                                                                                                                          |                                                                     |                                                                     |            |
| Photocopying                               |                                                                                                                                                                                                                                                                                                          | \$0.20 each<br>page after the<br>first 20 pages                     | \$0.20 each<br>page after the<br>first 20 pages                     | 0.00%      |
| LOGIMA                                     |                                                                                                                                                                                                                                                                                                          | \$38.00 per half<br>for for time in<br>excess of the<br>first hours | \$38.00 per half<br>for for time in<br>excess of the<br>first hours | 0.00%      |
| Other costs                                |                                                                                                                                                                                                                                                                                                          |                                                                     |                                                                     |            |
|                                            | Misc. charges may be<br>incurred to recover costs<br>involved. Such charges may<br>include:<br>• Provision of information on<br>USB device<br>• Retrieval of information off-<br>site<br>• Reproducing a film video<br>or audio recording<br>• Provision of maps, plans<br>etc larger than foolscap size |                                                                     |                                                                     |            |
| Other Regulation                           |                                                                                                                                                                                                                                                                                                          | 2024/2025 fee<br>including GST                                      | 2025/2026 fee<br>including GST                                      | % increase |
| Advertising Signs Fees                     |                                                                                                                                                                                                                                                                                                          | \$140.00                                                            | \$143.90                                                            | 2.79%      |
| Trading in Public Places Licence           |                                                                                                                                                                                                                                                                                                          | \$250.00                                                            | \$257.00                                                            | 2.80%      |
| <b>Abandoned Vehicles</b>                  |                                                                                                                                                                                                                                                                                                          |                                                                     |                                                                     |            |
| Call out fee                               |                                                                                                                                                                                                                                                                                                          | \$850 + Cost                                                        | \$100.00                                                            |            |
| Inspection & Administration                | <i>per hour</i>                                                                                                                                                                                                                                                                                          | staff hourly rate<br>+ mileage                                      | Cost<br>recoverable<br>staff hourly rate<br>+ mileage               |            |
| Storage of Vehicle                         | <i>per day</i>                                                                                                                                                                                                                                                                                           | \$19.00                                                             | Cost<br>recoverable                                                 |            |
| <b>Amusement Devices</b>                   |                                                                                                                                                                                                                                                                                                          |                                                                     |                                                                     |            |
| One Device                                 |                                                                                                                                                                                                                                                                                                          | \$10.00                                                             | \$10.00                                                             | 0.00%      |
| Each Additional Device                     |                                                                                                                                                                                                                                                                                                          | \$2.00                                                              | \$2.00                                                              | 0.00%      |
| Each Device for a further period of 7 days |                                                                                                                                                                                                                                                                                                          | \$1.00                                                              | \$1.00                                                              | 0.00%      |
| <b>Other Enforcement</b>                   |                                                                                                                                                                                                                                                                                                          |                                                                     |                                                                     |            |
| Legal advice and Consultants               |                                                                                                                                                                                                                                                                                                          | At cost                                                             | At cost                                                             |            |
| Parking                                    |                                                                                                                                                                                                                                                                                                          | 2024/2025 fee<br>including GST                                      | 2025/2026 fee<br>including GST                                      | % increase |
| Private carpark rental                     | <i>per quarter (13 weeks)</i>                                                                                                                                                                                                                                                                            | \$260.00                                                            | \$267.30                                                            | 2.81%      |
| Moana boat trailer park                    | <i>per 24 hours</i>                                                                                                                                                                                                                                                                                      | \$12.00                                                             | \$12.30                                                             | 2.50%      |
|                                            | <i>annual concession</i>                                                                                                                                                                                                                                                                                 | \$180.00                                                            | \$185.00                                                            | 2.78%      |

| Planning                                                                                                            |              | 2024/2025 fee<br>including GST   | 2025/2026 fee<br>including GST          | %<br>increase |
|---------------------------------------------------------------------------------------------------------------------|--------------|----------------------------------|-----------------------------------------|---------------|
| All fees listed are <u>Deposits</u> . Balance of charges will be charged at the rates specified.                    |              |                                  |                                         |               |
| <b>Subdivisions</b>                                                                                                 |              |                                  |                                         |               |
| Boundary Adjustments                                                                                                | deposit only | \$880.00                         | \$904.60                                | 2.80%         |
| Non-notified (2 - 4 lots)                                                                                           | deposit only | NEW                              | \$2,000.00                              | NEW           |
| - Cost per additional lot (The charge will be in addition to the 2 - 4 lot subdivision fee)                         | deposit only | NEW                              | \$500.00                                | NEW           |
| Certificates (s223/s224/s226/Other)                                                                                 | deposit only | NEW                              | \$500.00                                | NEW           |
| <b>Land Use Consents</b>                                                                                            |              |                                  |                                         |               |
| Non-notified: Category A (Signage/Recession Plane/Setback/Relocated Buildings/Parking)                              | deposit only | NEW                              | \$1,500.00                              | NEW           |
| Non-notified: Category B (Historic Heritage/Notable Trees/SASM/Utilities/Other)                                     | deposit only | NEW                              | \$2,000.00                              | NEW           |
| Non-notified: Category C (Sub-sized Lots/Vegetation Clearance/Earthworks/Non-rural/residential Activities)          | deposit only | NEW                              | \$2,500.00                              | NEW           |
| <b>Notified Land Use and Subdivision Consent Applications</b>                                                       |              |                                  |                                         |               |
| Limited Notified Application*                                                                                       |              | \$5,500.00                       | \$8,000.00                              | 45.45%        |
| Publicly Notified Application*                                                                                      |              | \$8,250.00                       | \$10,000.00                             | 21.21%        |
| * Notification fee in addition to other consent fees                                                                |              |                                  |                                         |               |
| <b>Other</b>                                                                                                        |              |                                  |                                         |               |
| Designation/Heritage Order                                                                                          | deposit only | \$5,500.00                       | \$5,654.00                              | 2.80%         |
| Alteration of designation                                                                                           | deposit only | \$2,200.00                       | \$2,261.60                              | 2.80%         |
| Existing use rights                                                                                                 | deposit only | NEW                              | \$1,000.00                              |               |
| Certificate of compliance                                                                                           | deposit only | \$570.00                         | \$586.00                                | 2.81%         |
| s357 objection                                                                                                      | deposit only | \$850.00                         | \$873.80                                | 2.80%         |
| Esplanade reserve reduction/waiver                                                                                  | deposit only | \$1,000.00                       | \$1,028.00                              | 2.80%         |
| Reapproval lapsed consent                                                                                           | deposit only | \$1,100.00                       | \$1,130.80                              | 2.80%         |
| ROW/Easement amendments                                                                                             | deposit only | \$780.00                         | \$801.80                                | 2.79%         |
| Consent variation - non-notified                                                                                    | deposit only | \$750.00                         | \$771.00                                | 2.80%         |
| Consent variation - notified (if re-notification is required, application notification fee will be charged)         | deposit only | \$2,572.00                       | \$2,647.10                              | 2.92%         |
| Permitted boundary activity (s87BA)                                                                                 | deposit only | \$550.00                         | \$565.40                                | 2.80%         |
| Deemed permitted activity (s87BB)                                                                                   | deposit only | \$850.00                         | \$873.80                                | 2.80%         |
| Bonds (Performance & Maintenance)                                                                                   |              | NEW                              | \$350.00                                | NEW           |
|                                                                                                                     |              |                                  | Lodgement fee<br>+ Staff hourly<br>rate |               |
| Outline Plan                                                                                                        | deposit only | \$570.00                         | \$586.00                                | 2.81%         |
| Outline Plan Waiver                                                                                                 | deposit only | NEW                              | \$350.00                                | NEW           |
| Comments on Draft Applications/Pre application advice<br>(note first <b>HALF HOUR</b> free then staff hourly rates) |              | staff hourly charge<br>out rates | staff hourly<br>charge out<br>rates     |               |
| Consultants/Peer Review                                                                                             |              | \$260/hour<br>(not more than)    | At cost                                 |               |

## Planning contd.

|                                           |                                                                        | 2024/2025 fee<br>including GST   | 2025/2026 fee<br>including GST      | %<br>increase |
|-------------------------------------------|------------------------------------------------------------------------|----------------------------------|-------------------------------------|---------------|
| Legal advice                              |                                                                        | \$452/hour<br>(not more than)    | At cost                             |               |
| Hearings - Commissioner                   |                                                                        | \$520/hour<br>(not more than)    | At cost                             |               |
| - Facilities                              |                                                                        | \$250/hour<br>(not more than)    | At cost                             |               |
| Monitoring Levy                           | <i>flat fee paid<br/>upon<br/>granting of<br/>land-use<br/>consent</i> | \$200.00                         | \$205.60                            | 2.80%         |
| Resource Consent Monitoring of Conditions |                                                                        | staff hourly charge<br>out rates | staff hourly<br>charge out<br>rates |               |

## Property

### Signing Documents Under Seal

|                                                                                     |  |          |          |         |
|-------------------------------------------------------------------------------------|--|----------|----------|---------|
| Unregistered/Registered Memorandum of Transfer of Lease                             |  | \$200.00 | \$180.00 | -10.00% |
| Unregistered/Registered Deed of Lease                                               |  | \$180.00 | \$180.00 | 0.00%   |
| Unregistered/Registered Variation/Surrender, Assignment or Renewal of Deed of Lease |  | \$180.00 | \$180.00 | 0.00%   |
| Preparing a Licence to Occupy                                                       |  | NEW      | \$180.00 | NEW     |
| Preparing a variation, Surrender, Renewal or Assignment of a License to Occupy      |  | NEW      | \$180.00 | NEW     |

## Refuse & Recycling

### McLeans Landfill

#### Refuse

|                                                                   |                  |          |          |       |
|-------------------------------------------------------------------|------------------|----------|----------|-------|
| Commercial Refuse*                                                | <i>per tonne</i> | \$525.00 | \$539.70 | 2.80% |
| Mixed Domestic Waste*                                             | <i>per tonne</i> | \$525.00 | \$539.70 | 2.80% |
| Hardfill/Soil*                                                    | <i>per tonne</i> | \$525.00 | \$539.70 | 2.80% |
| TVs and e-waste*                                                  | <i>per tonne</i> | \$525.00 | \$539.70 | 2.80% |
| Refuse Bag with Council issued tie                                | <i>per bag</i>   | Free     | Free     |       |
| Refuse Bag without Council issued tie*                            | <i>per bag</i>   | \$7.00   | \$7.20   | 2.86% |
| Green Waste - Domestic & Commercial                               | <i>per tonne</i> | \$210.00 | \$215.90 | 2.81% |
| * minimum charge per weighbridge entrance (trip over weighbridge) |                  | \$18.00  | \$18.50  | 2.78% |

#### Tyres

|                       |                 |         |         |       |
|-----------------------|-----------------|---------|---------|-------|
| Car, Motorbike        | <i>per tyre</i> | \$12.00 | \$12.30 | 2.50% |
| 4WD                   | <i>per tyre</i> | \$12.00 | \$12.30 | 2.50% |
| Truck                 | <i>per tyre</i> | \$20.00 | \$20.60 | 3.00% |
| Tractor               | <i>per tyre</i> | \$25.00 | \$25.70 | 2.80% |
| Specialist Industrial | <i>per tyre</i> | \$50.00 | \$51.40 | 2.80% |

#### Other

|                                                                                                  |                  |          |          |       |
|--------------------------------------------------------------------------------------------------|------------------|----------|----------|-------|
| Unprepared Car Bodies                                                                            | <i>per car</i>   | \$95.00  | \$97.70  | 2.84% |
| Paint/Solvents                                                                                   | <i>per litre</i> | \$4.80   | \$4.90   | 2.08% |
| Asbestos disposal (additional to commercial refuse rate above)                                   | <i>per load</i>  | \$300.00 | \$308.40 | 2.80% |
| <b>McLeans Recycling Centre</b>                                                                  |                  |          |          |       |
| <b>Recyclables</b>                                                                               |                  |          |          |       |
| Commercial Recycling                                                                             | <i>per tonne</i> | \$160.00 | \$164.50 | 2.81% |
| Recyclable Plastics                                                                              |                  | Free     | Free     |       |
| Recyclable Paper                                                                                 |                  | Free     | Free     |       |
| Recyclable Cardboard                                                                             |                  | Free     | Free     |       |
| Recyclable Aluminium Cans                                                                        |                  | Free     | Free     |       |
| Recyclable Tin Cans                                                                              |                  | Free     | Free     |       |
| Recyclable Glass                                                                                 |                  | Free     | Free     |       |
| Recyclable Light Scrap Metal                                                                     |                  | Free     | Free     |       |
| Recyclable Heavy Scrap Metal                                                                     |                  | Free     | Free     |       |
| Recyclable Whiteware                                                                             |                  | Free     | Free     |       |
| Empty LPG Bottles                                                                                |                  | Free     | Free     |       |
| Prepared Car Bodies                                                                              |                  | Free     | Free     |       |
| <b>Green waste at Resource Centres</b>                                                           |                  |          |          |       |
| <i>Garden matter, leaves, branches, weeds, unsprayed lawn clippings (no cabbage tree leaves)</i> |                  |          |          |       |
| Car Boot                                                                                         | <i>per load</i>  | \$20.60  | \$21.20  | 2.91% |
| Single axle trailer                                                                              | <i>per load</i>  | \$26.80  | \$27.60  | 2.99% |
| Tandem Trailer                                                                                   | <i>per load</i>  | \$35.70  | \$36.70  | 2.80% |
| Small Truck (1.5m3 Max)                                                                          | <i>per load</i>  | \$62.00  | \$63.70  | 2.74% |
| Large Truck                                                                                      | <i>per load</i>  | \$210.00 | \$215.90 | 2.81% |
| <b>Resource Centres (Moana/Blackball/Nelson Creek)</b>                                           |                  |          |          |       |
| Refuse Bag with Council issued tie                                                               | <i>per bag</i>   | Free     | Free     |       |
| Refuse Bag without Council issued tie                                                            | <i>per bag</i>   | \$7.00   | \$7.20   | 2.86% |
| Car Boot                                                                                         | <i>per load</i>  | \$45.00  | \$46.30  | 2.89% |
| Station wagon                                                                                    | <i>per load</i>  | \$68.00  | \$69.90  | 2.79% |
| Utility Vehicle/Van                                                                              | <i>per load</i>  | \$68.00  | \$69.90  | 2.79% |
| Single axle trailer                                                                              | <i>per load</i>  | \$89.50  | \$92.00  | 2.79% |
| Tandem Trailer                                                                                   | <i>per load</i>  | \$146.40 | \$150.50 | 2.80% |
| Truck under 5m <sup>3</sup> , uncompacted general waste                                          | <i>per load</i>  | \$320.70 | \$329.70 | 2.81% |
| Truck under 5m <sup>3</sup> , compacted general waste or dense material such as building waste.  | <i>per load</i>  | \$507.40 | \$521.60 | 2.80% |
| <b>Other</b>                                                                                     |                  |          |          |       |
| Replacement Yellow Bin                                                                           |                  | \$70.00  | \$72.00  | 2.86% |
| Replacement Red Bin                                                                              |                  | \$60.00  | \$61.70  | 2.83% |

|                                                                                                                  |                                                             |          |          |       |
|------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|----------|----------|-------|
| Replacement Blue Bin                                                                                             |                                                             | \$20.00  | \$20.60  | 3.00% |
| Bins to New Dwelling                                                                                             |                                                             | \$150.00 | \$154.20 | 2.80% |
| Collection Service to New Dwelling                                                                               | <i>pro rated per calendar month to the next 1st of July</i> | \$400.00 | \$411.20 | 2.80% |
| <b>McLeans Construction &amp; Demolition Centre</b>                                                              |                                                             |          |          |       |
| Commercial and Domestic *                                                                                        | <i>per tonne</i>                                            | \$210.00 | \$216.00 | 2.86% |
| * Operations to commence during the 2025/20256 year. This fee is not applicable for use at McLeans Pit Landfill. |                                                             |          |          |       |

| <b>Retirement Housing</b>                        |                 | 2024/2025 fee including GST | 2025/2026 fee including GST | % increase |
|--------------------------------------------------|-----------------|-----------------------------|-----------------------------|------------|
| <b>One bedroom units</b>                         |                 |                             |                             |            |
| Rental - Greymouth                               | <i>per week</i> | \$155.00                    | \$165.00                    | 6.45%      |
| Rental - Blaketown                               | <i>per week</i> | \$145.00                    | \$165.00                    | 13.79%     |
| Rental - Dobson & Runanga                        | <i>per week</i> | \$135.00                    | \$145.00                    | 7.41%      |
| Additional charge for couple in one bedroom unit | <i>per week</i> | \$40.00                     | \$43.00                     | 7.50%      |
| <b>Two bedroom units</b>                         |                 |                             |                             |            |
| Greymouth                                        | <i>per week</i> | \$230.00                    | \$245.00                    | 6.52%      |

| <b>Roading</b>                                                                               |                         | 2024/2025 fee including GST   | 2025/2026 fee including GST   | % increase |
|----------------------------------------------------------------------------------------------|-------------------------|-------------------------------|-------------------------------|------------|
| Roadworks Consent - On Council Road                                                          |                         | \$190.00                      | \$195.30                      | 2.79%      |
| Roadworks Consent - On Waka Kotahi NZ Transport Agency Road (includes \$500 Waka Kotahi fee) |                         | \$830.00                      | \$853.20                      | 2.80%      |
| Road Works Consent / Corridor Access Request (CAR)                                           |                         | \$195.00                      | \$200.50                      | 2.82%      |
| - Additional inspection fee                                                                  |                         | staff hourly charge out rates | staff hourly charge out rates |            |
| Temporary use of a legal road                                                                | <i>Per square metre</i> | Contact Council               | Contact Council               |            |
| Road, footpath and roading asset damage - Cost of repairs and staff time                     |                         | Contact Council               | Contact Council               |            |

| <b>Sewerage</b>                                                                                                |                        | 2024/2025 fee including GST | 2025/2026 fee including GST | % increase |
|----------------------------------------------------------------------------------------------------------------|------------------------|-----------------------------|-----------------------------|------------|
| <b>Financial Contributions</b>                                                                                 |                        |                             |                             |            |
| Moana                                                                                                          | <i>per lot</i>         | \$7,350.00                  | \$7,555.80                  | 2.80%      |
| South Beach/Paroa                                                                                              | <i>per lot</i>         | \$17,600.00                 | \$18,092.80                 | 2.80%      |
| Karoro                                                                                                         | <i>per lot</i>         | \$4,220.00                  | \$4,338.20                  | 2.80%      |
| <i>Other contributions to proposed 'as required' works may be set through separate consultative procedures</i> |                        |                             |                             |            |
| <b>Trade Waste Charges</b>                                                                                     |                        |                             |                             |            |
| All schemes                                                                                                    | <i>per cubic metre</i> | \$1.00                      | \$1.00                      | 0.00%      |
| Septic deliveries to Runanga WWTP                                                                              | <i>per cubic metre</i> | NEW                         | \$12.50                     | NEW        |



| Water                                                                                                                  |                                           | 2024/2025 fee<br>including GST       | 2025/2026 fee<br>including GST       | % increase |
|------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|--------------------------------------|--------------------------------------|------------|
| <b>Financial Contributions</b>                                                                                         |                                           |                                      |                                      |            |
| South Beach/Paroa                                                                                                      | <i>per lot</i>                            | \$6,000.00                           | \$6,168.00                           | 2.80%      |
| Karoro                                                                                                                 | <i>per lot</i>                            | \$1,950.00                           | \$2,004.60                           | 2.80%      |
| <i>Other contributions to proposed 'as required' works<br/>may be set through separate consultative<br/>procedures</i> |                                           |                                      |                                      |            |
| Westland Recreation Centre - Swimming<br>Pool/Gym/Stadium                                                              |                                           | 2024/2025<br>fee<br>including<br>GST | 2025/2026<br>fee<br>including<br>GST | % increase |
| <b>Casual Admission</b>                                                                                                |                                           |                                      |                                      |            |
| <b>Pool</b>                                                                                                            |                                           |                                      |                                      |            |
| Adult                                                                                                                  |                                           | \$7.50                               | \$7.50                               | 0.00%      |
| Community Card Holder (CCH)/Student/Senior                                                                             |                                           | \$5.00                               | \$5.00                               | 0.00%      |
| Children (5-17 years)                                                                                                  |                                           | \$5.00                               | \$5.00                               | 0.00%      |
| Children under 5 years - free with a paying adult                                                                      |                                           | free                                 | free                                 |            |
| Spectators                                                                                                             |                                           | free                                 | free                                 |            |
| Aquacise class                                                                                                         | <i>Adult</i>                              | \$9.00                               | \$9.00                               | 0.00%      |
|                                                                                                                        | <i>CCH/Student/Senior</i>                 | \$7.00                               | \$7.00                               | 0.00%      |
| <b>Hydroslide</b>                                                                                                      |                                           |                                      |                                      |            |
| Adult                                                                                                                  | <i>unlimited rides during<br/>session</i> | \$7.00                               | \$7.00                               | 0.00%      |
| Community Card Holder/Student/Senior                                                                                   | <i>unlimited rides during<br/>session</i> | \$5.00                               | \$5.00                               | 0.00%      |
| Children (5-17 years)                                                                                                  | <i>unlimited rides during<br/>session</i> | \$5.00                               | \$5.00                               | 0.00%      |
| <b>Fitness</b>                                                                                                         |                                           |                                      |                                      |            |
| Multi                                                                                                                  | <i>Adult</i>                              | \$35.00                              | \$35.00                              | 0.00%      |
|                                                                                                                        | <i>CCH/Student/Senior</i>                 | \$30.00                              | \$30.00                              | 0.00%      |
| Gym only                                                                                                               | <i>Adult</i>                              | \$20.00                              | \$20.00                              | 0.00%      |
|                                                                                                                        | <i>CCH/Student/Senior</i>                 | \$16.00                              | \$16.00                              | 0.00%      |
| Group Fitness Class only                                                                                               | <i>Adult</i>                              | \$20.00                              | \$20.00                              | 0.00%      |
|                                                                                                                        | <i>CCH/Student/Senior</i>                 | \$16.00                              | \$16.00                              | 0.00%      |
| <b>Casual Stadium Use</b>                                                                                              |                                           |                                      |                                      |            |
| Per person                                                                                                             | <i>per hour</i>                           | \$3.50                               | \$3.50                               | 0.00%      |
| Per person - concession card                                                                                           | <i>20 sessions</i>                        | \$50.00                              | \$50.00                              | 0.00%      |
| <b>Memberships</b>                                                                                                     |                                           |                                      |                                      |            |
| <b>Pool (pools, spa and sauna but excluding hydroslides)</b>                                                           |                                           |                                      |                                      |            |
| Adult                                                                                                                  | <i>1 month</i>                            | \$70.00                              | \$70.00                              | 0.00%      |
|                                                                                                                        | <i>3 months</i>                           | \$190.00                             | \$190.00                             | 0.00%      |
|                                                                                                                        | <i>6 months</i>                           | \$340.00                             | \$340.00                             | 0.00%      |
|                                                                                                                        | <i>12 months</i>                          | \$620.00                             | \$620.00                             | 0.00%      |

|                                                                                                   |                                   |          |          |       |
|---------------------------------------------------------------------------------------------------|-----------------------------------|----------|----------|-------|
|                                                                                                   | <i>Pay as you go - per week*</i>  | \$16.00  | \$16.00  | 0.00% |
| Community Card Holder/Student/Senior                                                              | <i>1 month</i>                    | \$60.00  | \$60.00  | 0.00% |
|                                                                                                   | <i>3 months</i>                   | \$160.00 | \$160.00 | 0.00% |
|                                                                                                   | <i>6 months</i>                   | \$280.00 | \$280.00 | 0.00% |
|                                                                                                   | <i>12 months</i>                  | \$520.00 | \$520.00 | 0.00% |
|                                                                                                   | <i>Pay as you go - per week*</i>  | \$13.00  | \$13.00  | 0.00% |
| Children                                                                                          | <i>1 month</i>                    | \$60.00  | \$60.00  | 0.00% |
|                                                                                                   | <i>3 months</i>                   | \$160.00 | \$160.00 | 0.00% |
|                                                                                                   | <i>6 months</i>                   | \$280.00 | \$280.00 | 0.00% |
|                                                                                                   | <i>12 months</i>                  | \$520.00 | \$520.00 | 0.00% |
|                                                                                                   | <i>Pay as you go - per week*</i>  | \$13.00  | \$13.00  | 0.00% |
| <b>Gym (access to the gym only)</b>                                                               |                                   |          |          |       |
| Adult                                                                                             | <i>1 month</i>                    | \$80.00  | \$80.00  | 0.00% |
|                                                                                                   | <i>3 months</i>                   | \$210.00 | \$210.00 | 0.00% |
|                                                                                                   | <i>6 months</i>                   | \$370.00 | \$370.00 | 0.00% |
|                                                                                                   | <i>12 months</i>                  | \$690.00 | \$690.00 | 0.00% |
|                                                                                                   | <i>Pay as you go - per week *</i> | \$18.00  | \$18.00  | 0.00% |
| Community Card Holder/Student/Senior                                                              | <i>1 month</i>                    | \$70.00  | \$70.00  | 0.00% |
|                                                                                                   | <i>3 months</i>                   | \$180.00 | \$180.00 | 0.00% |
|                                                                                                   | <i>6 months</i>                   | \$320.00 | \$320.00 | 0.00% |
|                                                                                                   | <i>12 months</i>                  | \$600.00 | \$600.00 | 0.00% |
|                                                                                                   | <i>Pay as you go - per week *</i> | \$15.00  | \$15.00  | 0.00% |
| <b>Group Fitness (access to group fitness classes only, some exclusions apply e.g. Over 50's)</b> |                                   |          |          |       |
| Adult                                                                                             | <i>1 month</i>                    | \$80.00  | \$80.00  | 0.00% |
|                                                                                                   | <i>3 months</i>                   | \$210.00 | \$210.00 | 0.00% |
|                                                                                                   | <i>6 months</i>                   | \$370.00 | \$370.00 | 0.00% |
|                                                                                                   | <i>12 months</i>                  | \$740.00 | \$740.00 | 0.00% |
|                                                                                                   | <i>Pay as you go - per week *</i> | \$18.00  | \$18.00  | 0.00% |
| Community Card Holder/Student/Senior                                                              | <i>1 month</i>                    | \$70.00  | \$70.00  | 0.00% |
|                                                                                                   | <i>3 months</i>                   | \$180.00 | \$180.00 | 0.00% |
|                                                                                                   | <i>6 months</i>                   | \$320.00 | \$320.00 | 0.00% |
|                                                                                                   | <i>12 months</i>                  | \$600.00 | \$600.00 | 0.00% |
|                                                                                                   | <i>Pay as you go - per week *</i> | \$15.00  | \$15.00  | 0.00% |
| <b>Double-choice of two options from pool, gym and group fitness.</b>                             |                                   |          |          |       |
| Adult                                                                                             | <i>1 month</i>                    | \$110.00 | \$110.00 | 0.00% |
|                                                                                                   | <i>3 months</i>                   | \$290.00 | \$290.00 | 0.00% |
|                                                                                                   | <i>6 months</i>                   | \$510.00 | \$510.00 | 0.00% |
|                                                                                                   | <i>12 months</i>                  | \$950.00 | \$950.00 | 0.00% |
|                                                                                                   | <i>Pay as you go - per week *</i> | \$23.00  | \$23.00  | 0.00% |
| Community Card Holder/Student/Senior                                                              | <i>1 month</i>                    | \$100.00 | \$100.00 | 0.00% |
|                                                                                                   | <i>3 months</i>                   | \$260.00 | \$260.00 | 0.00% |
|                                                                                                   | <i>6 months</i>                   | \$460.00 | \$460.00 | 0.00% |
|                                                                                                   | <i>12 months</i>                  | \$850.00 | \$850.00 | 0.00% |
|                                                                                                   | <i>Pay as you go - per week *</i> | \$22.00  | \$22.00  | 0.00% |
| <b>Multi (pool, gym, group fitness classes (excludes hydroslide and aquacise classes)</b>         |                                   |          |          |       |
| Adult                                                                                             | <i>1 month</i>                    | \$135.00 | \$135.00 | 0.00% |

|                                      |                            |            |            |       |
|--------------------------------------|----------------------------|------------|------------|-------|
| Community Card Holder/Student/Senior | 3 months                   | \$360.00   | \$360.00   | 0.00% |
|                                      | 6 months                   | \$640.00   | \$640.00   | 0.00% |
|                                      | 12 months                  | \$1,200.00 | \$1,200.00 | 0.00% |
|                                      | Pay as you go - per week * | \$28.00    | \$28.00    | 0.00% |
|                                      | 1 month                    | \$120.00   | \$120.00   | 0.00% |
|                                      | 3 months                   | \$330.00   | \$330.00   | 0.00% |
|                                      | 6 months                   | \$590.00   | \$590.00   | 0.00% |
|                                      | 12 months                  | \$1,100.00 | \$1,100.00 | 0.00% |
|                                      | Pay as you go - per week * | \$26.00    | \$26.00    | 0.00% |

\* three month minimum membership applies

## Concession Cards

### Pool- 10 swims (tenth swim free - pay for nine only)

|                                      |          |          |          |       |
|--------------------------------------|----------|----------|----------|-------|
| Adult                                | 10 swims | \$68.00  | \$68.00  | 0.00% |
|                                      | 20 swims | \$135.00 | \$135.00 | 0.00% |
| Community Card Holder/Student/Senior | 10 swims | \$45.00  | \$45.00  | 0.00% |
|                                      | 20 swims | \$90.00  | \$90.00  | 0.00% |
| Children                             | 10 swims | \$46.00  | \$46.00  | 0.00% |
|                                      | 20 swims | \$90.00  | \$90.00  | 0.00% |

### Gym - 10 sessions (tenth session free - pay for nine only)

|                                      |                    |          |          |       |
|--------------------------------------|--------------------|----------|----------|-------|
| Multi (pool, gym, and fitness group) | Adult              | \$330.00 | \$330.00 | 0.00% |
|                                      | CCH/Student/Senior | \$270.00 | \$270.00 | 0.00% |
| Gym only                             | Adult              | \$185.00 | \$185.00 | 0.00% |
|                                      | CCH/Student/Senior | \$150.00 | \$150.00 | 0.00% |
| Group Fitness Class only             | Adult              | \$185.00 | \$185.00 | 0.00% |
|                                      | CCH/Student/Senior | \$150.00 | \$150.00 | 0.00% |
| Aquacise classes                     | Adult              | \$81.00  | \$81.00  | 0.00% |
|                                      | CCH/Student/Senior | \$63.00  | \$63.00  | 0.00% |

## Swim School

|                                                               |                        |          |          |       |
|---------------------------------------------------------------|------------------------|----------|----------|-------|
| Private lessons - child (20 minutes)                          | per person per lesson  | \$26.00  | \$26.00  | 0.00% |
| Private lessons - child with disabilities (20 minutes)        | per person per lesson  | \$22.50  | \$22.50  | 0.00% |
| Private lessons - adult (30 minutes)                          | per person per lesson  | \$35.00  | \$35.00  | 0.00% |
| Swim Fit - adult                                              | per person per session | \$15.00  | \$15.00  | 0.00% |
| Groups (final price dependent on number of weeks in the term) | per ten lesson term    | \$120.00 | \$120.00 | 0.00% |
| Squads (final price dependent on number of weeks in the term) | per ten lesson term    | \$140.00 | \$140.00 | 0.00% |
| Diaper Dolphins                                               | per ten lesson term    | \$120.00 | \$120.00 | 0.00% |
| Holiday lessons                                               | two week programme     | \$140.00 | \$140.00 | 0.00% |
|                                                               | one week programme     | \$80.00  | \$80.00  | 0.00% |

## Venue Hire

### Pool

|                                                              |          |         |         |       |
|--------------------------------------------------------------|----------|---------|---------|-------|
| Lap pool - per lane                                          | per hour | \$16.00 | \$16.00 | 0.00% |
| Schools - lap pool, per lane, per hour plus \$3.50 per child |          |         |         |       |

|                                                                                                                                                                          |                              |          |          |       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|----------|----------|-------|
| Learners/combined pool                                                                                                                                                   | <i>per hour</i>              | \$70.00  | \$72.00  | 2.86% |
| Whole facility (all pools and hydroslide)                                                                                                                                | <i>per hour</i>              | \$270.00 | \$277.60 | 2.81% |
| Activity Room                                                                                                                                                            | <i>per hour</i>              | \$35.00  | \$36.00  | 2.86% |
| Club Room                                                                                                                                                                | <i>per hour</i>              | \$35.00  | \$36.00  | 2.86% |
| Stadium                                                                                                                                                                  | <i>half court - per hour</i> | \$35.00  | \$36.00  | 2.86% |
|                                                                                                                                                                          | <i>full court - per hour</i> | \$70.00  | \$72.00  | 2.86% |
| Meeting room                                                                                                                                                             | <i>per hour</i>              | \$30.00  | \$30.80  | 2.67% |
| <b>Other Charges</b>                                                                                                                                                     |                              |          |          |       |
| Replacement card                                                                                                                                                         |                              | \$20.00  | \$20.00  | 0.00% |
| Cancellation fee (for Pay as You Go memberships only inside of the three month minimum term, cancellation is \$65 or minimum term payments remaining, whichever is less) |                              | \$65.00  | \$65.00  | 0.00% |
| <i>Group bookings and school rates available - enquire at pool</i>                                                                                                       |                              |          |          |       |

# Port of Greymouth

All rates include GST

## FISHING/RECREATIONAL/CHARTER: ACCESS FEES (all vessels)

| Vessel LOA (m) | per entry - 2025/2026 fee including GST |
|----------------|-----------------------------------------|
| <15            | \$64.80                                 |
| 15 - 20        | \$107.90                                |
| >20            | \$161.40                                |
| Cargo          | \$452.30                                |

## VESSEL: BERTHAGE (at Council berth)

2025/2026 fee including GST

|                                                                               |             |         |
|-------------------------------------------------------------------------------|-------------|---------|
| Per Day                                                                       | per m (LOA) | \$2.90  |
| Monthly Berthage Charge (minimum 3 month contract charged per calendar month) | per m (LOA) | \$25.20 |

## CARGO & PASSENGER

2025/2026 fee including GST

| Berthage                                                                | unit                     |                                                          |
|-------------------------------------------------------------------------|--------------------------|----------------------------------------------------------|
| Ships, Tugs, Barges Berthage - per day                                  | / gross registered tonne | \$0.50                                                   |
| Ships, Tugs, Barges Berthage - per day                                  | minimum                  | \$485.30                                                 |
| Mooring (Line Services)                                                 | / staff hour             | \$107.80                                                 |
| Wharfage and other                                                      | unit                     |                                                          |
| Timber                                                                  | max of m3 or tonne       | \$16.70                                                  |
| Logs                                                                    | max of m3 or tonne       | \$8.60                                                   |
| Coal Wharfage                                                           | / tonne                  | \$10.30                                                  |
| Coal Stockpile and Resource Management                                  | / tonne shipped          | \$2.70                                                   |
| Gravel, Aggregate, Rock                                                 | / tonne                  | \$7.50                                                   |
| Fertiliser                                                              | / tonne                  | \$9.70                                                   |
| Motor Vehicles                                                          | each                     | \$166.20                                                 |
| Containers - Loaded (TEU = Twenty Foot Length Equivalent Unit)          | / TEU                    | \$539.40                                                 |
| Containers - Empty                                                      | / TEU                    | \$431.50                                                 |
| Pallets Returned Empty                                                  | / m3                     | \$11.90                                                  |
| All Other Cargo                                                         | max of m3 or tonne       | \$11.90                                                  |
| Cargo Brought in for Shipping and Leaving Port Other than by Ship/Barge | max of m3 or tonne       | 50% of wharfage, stockpile & resource management charges |

|                                                                     |                            |          |
|---------------------------------------------------------------------|----------------------------|----------|
| Cargo Wharf Crane Hire -                                            | / hour / crane             | \$592.70 |
| Cargo Wharf Crane Hire - Minimum Charge                             | minimum                    | \$151.00 |
| <b>Long term storage of cargo</b>                                   | <b>unit</b>                |          |
| Richmond Quay Stockpile Area 1st 6 weeks per shipment               | max of m3 or tonne / month | free     |
| Richmond Quay Stockpile Area Next 1-3 months                        | max of m3 or tonne / month | \$0.50   |
| Richmond Quay Stockpile Area Next 4-6 months                        | max of m3 or tonne / month | \$1.20   |
| Richmond Quay Stockpile Area Over 6 months After Free Period        | max of m3 or tonne / month | \$1.40   |
| Cargo Shed : less than 100 m2                                       | / m2 / month               | \$21.60  |
| Cargo Shed : 100 m2 or more                                         | / m2 / month               | \$17.30  |
| Rental of Port Operational Land Occupied by Containers, Storage etc | / m2 / year                | \$43.20  |

## SLIPWAY

**2025/2026 fee  
including GST**

|                                                                                |                       |          |
|--------------------------------------------------------------------------------|-----------------------|----------|
| Haulage (up / down )                                                           |                       | \$843.90 |
| Haulage One Way                                                                |                       | \$572.50 |
| Surcharge per Gross Tonnage                                                    | per tonne             | \$3.80   |
| Surcharge Non Business Day Haulage                                             | per hour per employee | \$119.90 |
| Cradle Charge - covered -                                                      | per day               | \$212.50 |
| Cradle Charge - uncovered -                                                    | per day               | \$138.80 |
| Electricity Three Phase                                                        | per day               | \$21.80  |
| Electricity Single Phase                                                       | per day               | \$10.90  |
| Clean Up Charge*                                                               | per hour per employee | \$73.00  |
| * At discretion of port staff, dependant on cleanliness of site upon departure |                       |          |
| Long Term Hard Stand When Vessel is Removed from Cradle                        | / week                | \$83.70  |