



BULLER
DISTRICT COUNCIL
Te Kaunihera O Kawatiri



Get
informed
now!

Annual Plan Summary 2023/24

An overview of the 2023-2024 Annual Plan

Introduction

Annual Plan Summary

This Annual Plan Summary is an overview of Council's key activities in the coming year, 1 July 2023 to 30 June 2024.

This plan is the third year of our 2021-2031 Long Term Plan (LTP), which was adopted in 2021, and is largely consistent with what was signalled in the LTP. As the changes to projects and services are not significant or materially different to what was proposed, Council will not undertake a formal consultation process on the Annual Plan this year.

We still want to keep you informed about what's proposed, how it will affect you and we welcome your feedback.

Get informed now!

We're not seeking submissions

Our proposed Annual Plan for 2023 – 2024, doesn't vary significantly from what we have in the Long Term Plan, so we're not completing a public consultation.

Council's role

The Long Term Plan and Annual Plans are key documents that set the budget and priorities for the services Council provides in the community – many of which are required by law, including:



Key infrastructure: roads, footpaths, water, sewerage, stormwater, solid waste and drainage.



Regulatory responsibilities: Resource Management Act, animal control, policies, monitoring and consents, building consents, food and liquor.



Community services and support: community grants, libraries, theatres, cinemas and swimming pools. Emergency management.



Community facilities: parks, reserves, housing for seniors and Council-owned properties.

For more information: See the full Draft 2023 – 2024 Annual Plan online at <https://bullerdc.govt.nz/have-your-say/2023-2024-draft-annual-plan/>

If you would still like to provide feedback on the draft Annual Plan, you are welcome to do so.



Email

annualplan@bdc.govt.nz



Online

<https://www.surveymonkey.com/r/2023-2024-Annual-Plan>



Post

Buller District Council, PO Box 21, Westport 7866



Talk to us

You can talk to your elected members about the Annual Plan. Find out how to get in touch

<https://bullerdc.govt.nz/have-your-say/2023-2024-draft-annual-plan/>



Have a read

Pop in to have a read of our 2023-2024 Annual Plan at Council facilities in Westport and Reefton, as well as the Sue Thomson Casey Memorial Library in Westport, the DoC Visitor Centre in Punakaiki, the Karamea Information Centre, and the Northern Buller Resource Centre.

SCAN ME



TO COMPLETE OUR SURVEY

Welcome from the Mayor

– a year of delivery

Thank you for your interest in Council's Annual Plan. I am pleased to outline our programme for what will be a year of delivery – with a significant programme of investment in essential infrastructure.

A year ago we were in the early stages of recovery from the weather events that had a huge impact on our district and people. Our partners in central government have provided much-needed support for our recovery and rebuild work. Much remains to be done this year, and our focus also turns to future-proofing our infrastructure, and continuing discussions on the impacts of climate change.

As signalled last year, there are some remaining flood recovery costs to be met by Council this year. We are proposing to fund this balance from cash reserves, rather than through additional rates or levies.

Like other sectors of the community, Council is facing ongoing financial pressure from inflation and rising costs. We have worked hard to limit the impacts of these factors and keep rates rises within the current level of inflation.

It has been encouraging to see how quickly our new Council has settled into its work following local elections late last year. We have several new faces around the Council table, bringing fresh ideas and energy to our discussions, and we have streamlined our committee structure to provide stronger focus on core issues.

With a busy year ahead, Council has identified several priorities in the programme, alongside ongoing flood recovery work. These include starting work on our next LTP, which sets our direction for the next 10 years, and is due to be completed in 2024.

We will complete our review into rating systems and how rates are calculated. This has been a Long Term project and we remain committed to finding an appropriate rating system.

We are continuing to work with central government and



other partners to ensure we are prepared for three waters reforms in 2024, while progressing our critical local capital projects for drinking water, wastewater and stormwater.

We've also proposed a contribution to the safe speeds around schools programme – a Waka Kotahi initiative under the Road to Zero strategy.

The Proposed Te Tai o Poutini Plan, the new combined district plan covering the entire West Coast, is proceeding through the statutory hearings and submission process, and is on track to become operative in 2024-2025.

I look forward to working closely with key partners over the coming year. Council will continue to foster the strong relationship with Ngāti Waewae and Ngāti Apa. We remain committed to developing our cultural understanding and partnerships.

Jamie Cleine
Mayor, Buller District

Changes and new projects in the 2023-2024 Annual Plan

The Annual Plan is largely in line with what was proposed in the 2021-2031 Long Term Plan. There are just a few new or changed projects that differ from the LTP.



Funding impact of flood events

The flood events of 2021 and 2022 had a huge impact on our district.

We have received around \$50 million from central government agencies, which has contributed to response and recovery activities including roading and water infrastructure repair works, temporary accommodation, waste disposal, welfare support, Community Hub and Navigators programmes, amongst others.

The Council is now responsible for some costs that are not covered by this funding, including the cost of the Emergency Operations Centre, and the thresholds for NEMA and Waka Kotahi funding.

What's proposed?

We're proposing to use cash reserves to cover this shortfall, rather than setting a targeted rate to recover this cost over time, or set a special levy.

What's the cost?

The Annual Plan makes a provisional estimate to be covered by Council of \$1.75 million. Funding this from reserves results in a corresponding increase in Council's forecast net debt. It has a lesser impact on rates, but would reduce Council's interest revenue by \$78,000, resulting in an impact on total rates of a 0.4% increase. The alternative to this proposal would be to levy a rate on each ratepayer of \$302.50 including GST as a one off or \$60.50 including GST every year for five years.



Three waters reform and targeted rates

The outcome of the three waters reforms currently remains uncertain. Council is planning on the assumption that the reforms will proceed and assets will transfer to the new entity in future.

Council is facing rising costs for water and wastewater services as a result of increases in inflation and interest rates, and higher contract costs. If Council rated for these services at 100% of cost, this would result in a much higher rates increase of around 13.3%. There was a significant increase in these targeted rates last year, and given the current economic conditions, Council wants to reduce the impact of these cost increases on ratepayers in 2023-2024. We will therefore hold rates at the same level as set in 2022-2023 for each drinking water supply and wastewater service.

Council is also increasing capital investment in three waters services by \$6.7m compared to the LTP forecast. This includes \$4.8m in externally funded projects, and \$1.9m from Council's regular work programme.

What's proposed?

We propose to hold water and wastewater targeted rates at the same level as in 2022-2023, while we wait for further clarity on three waters reform.

What's the cost?

Holding these rates at the 2022-2023 level would result in a \$1.2 million shortfall, which Council will fund initially from cash reserves, but recover through increased rates in future years. This would result in a corresponding increase in Council's forecast net debt result, and future interest revenue from cash deposits will be reduced by \$52,000, with a net effect on average total rates of 0.1% for 2023-2024.



Road to Zero funding

Road to Zero is Waka Kotahi NZ Transport Agency's road safety strategy, which aims to significantly reduce deaths and injuries on New Zealand roads.

A key item in the strategy is to set safe speed limits around all schools by the end of 2027, with an interim target of 40% of schools by June 2024. Setting safe speed limits around schools improves actual and perceived safety, and supports more active travel to and from school.

There are several ways to achieve safe speeds around schools. Some schools may get permanent speed limits and others may use variable speed limits. The approach considers the wider area around a school, and how children get to and from school. This is to improve safety for tamariki when travelling beyond the streets directly outside the school's front gate.

What's proposed?

We'll start working with schools and communities to develop safe speed limits in the coming year, with a view to exceeding the 40% interim target by 2024.

What's the cost?

The project cost in 2023-2024 is \$245,000 with 72% funding (\$176,400) from Waka Kotahi. Ratepayers' contribution is \$68,600 funded from general rates.

Other initiatives in the coming year

The following items were all planned for in the 2021-2031 LTP. There are no other new initiatives other than those noted above, or changes in the level of service for the activities Council already provides planned in the 2023-2024 Annual Plan.

- › **Community grants funding**
Totalling \$422,000 across tourism, museum and community grants
- › **Completing our rates review**
To consider different rating system options and a preferred method for rates calculation
- › **Long Term Plan 2024-2034**
Engaging with the community to set our direction for the next 10 years
- › **Continuing our property rationalisation project**
To realise financial opportunities through the sale of surplus land and buildings which are underutilised
- › **Further investment of \$325,000 in the Council-led urban revitalisation project**
This aims to provide reliable, affordable services and infrastructure to create attractive, liveable towns and places
- › Progress on upgrading **Council's information management systems**
- › Engaging with the community and stakeholders on the next stages of our **Climate Change Adaptation Plan**



The year ahead – capital programme

In 2023-2024 we're forecasting a total capital spend of \$28.9 million – a significant increase over the past two years.

Most of this investment (\$21 million) is funded from external sources, including the government's Infrastructure Acceleration Fund, flood recovery funding, Better Off funding and the commercial and demolition waste funding, in addition to Waka Kotahi funding for roading projects.

Here are some of some of the larger capital projects scheduled in 2023-2024



Roading network reinstatement

After February 2022 flood.
(95% to 100% Waka Kotahi subsidy)

\$9.8m



Three waters and transport

Upgrades from SH67 to Alma Road/
McPaddens Road
(100% external grant funding)

\$7.0m



Westport – three waters infrastructure, water supply and network improvements

(100% external grant funding)

\$0.5m



Westport and surrounds three waters upgrades

(100% Better Off funding)

\$0.3m



Local road renewals

(72% Waka Kotahi subsidy)

\$2.1m



Karamea Highway renewals

(100% Waka Kotahi subsidy)

\$1.0m



Westport water supply renewals and backflow prevention rollout

\$1.0m



Westport sewer renewals

\$1.2m



Reefton sewer renewals

\$0.5m



Stormwater upgrades and replacements

\$1.3m



Commercial and demolition waste project

(95% external grant funded)

\$0.9m



Reefton pool upgrades

\$0.4m



NBS Theatre upgrades

\$0.4m



Clocktower Chambers upgrades

\$0.3m



Water supplies

Following the weather events of July 2021 and February 2022 Council has identified the need for critical infrastructure investment into local water supplies, to ensure the future quality, security and resilience of these supplies. These include:

- Water loss reduction
- Trunk main upgrades
- Pressure reduction
- Treatment upgrades

In late 2022 Council presented a proposal to central government for funding, as an advance on Three Waters Reform capital, to achieve drinking water resilience and sustainability. This would be alongside a Council contribution. Work would be undertaken in a phased approach over four years as resourcing, procurement and construction timelines allow.

The 2023-24 Annual Plan does not include a provision for this proposal because Council is continuing to work with government to secure funding for this programme.

More detailed financial information is available in the full Annual Plan, available online at

<https://bullerdc.govt.nz/have-your-say/2023-2024-draft-annual-plan/>



Financial Summary

Key highlights of this Annual Plan

This Annual Plan is the third year of the 2021-2031 Long Term Plan and Council continues to follow the direction set out in that document.

The 2023-2024 plan is consistent with the programme previously consulted on with the community, with only minor variations arising from matters which have emerged since the Long Term Plan was adopted.

Overall, Council is proposing a 6.8% increase in total rates compared to 5.4% as forecast in the LTP. This reflects a number of changes in economic conditions over the past 12 months, including:

- **Higher interest rates:** At the time the LTP was prepared the official cash rate (OCR) was at 0.25%, but it is now at 4.75% and forecast to peak at 5.25% in December 2023.
- **Higher inflation:** In 2020 when the LTP was prepared the long run Local Government Cost Index (based on costs typically faced by councils) was 2.2%, but this was updated to 4.5% late last year.

The rates increase remains below the current level of general inflation (7.2% Consumer Price Index as at the December 2022 quarter).

FINANCIAL PERFORMANCE AND MEASURES

Financial performance	2022-2023 Annual Plan \$000	2023-2024 Long Term Plan \$000	2023-2024 Annual Plan \$000
Operating revenue	\$32,935	\$33,612	\$52,762
Operating expenses	\$32,123	\$31,401	\$36,090
Operating surplus/(deficit)	\$812	\$2,211	\$16,672

Operating Result

Council is budgeting a surplus of \$16.7 million in the 2023-2024 Annual Plan, compared to a surplus of \$2.2m proposed for the same year in the 2021-2031 Long Term Plan, an increase of \$14.5m.

The \$14.5m increase in forecast surplus is made up of a \$16.5m increase in grants and subsidies mainly for capital expenditure, combined with a \$785,000 increase in rate revenue and \$1.9m increase in other operating revenue, offset by a \$4.7m increase in operating expenditure.



Changes in district rates

Overall, rates are proposed to rise by an average of 6.8% from 1 July 2023. This is higher than the 5.4% forecast in the Long Term Plan, reflecting changes in economic conditions over the past twelve months.

The total rates includes both General Rates (General Rates incorporates a variable portion and the Uniform Annual General Charge), and targeted Rates (see Understanding your rates on the page that follows for more information on these).

The General Rates portion of your rate will rise by 10.7% in the 2023-2024 year. In line with the movement in total General Rates, the Uniform Annual General Charge will increase by 10% from \$500 to \$550.

Targeted rates for water, wastewater and Maruia solid waste won't change for the coming year, whilst there are planned increases of \$6.90 and \$23 including GST per property respectively for Zone 1, Waste Management and Karamea Solid Waste targeted rates to cover increased costs in these activities.

EXAMPLES OF RATE CHANGES

This sample of properties shows how the Annual Plan changes will affect rates in these areas. 2022-2023 rates show the current rates, with the rates for 2023-2024 showing the proposed rates in the 2023-2024 Annual Plan. These rates are indicative only, and are likely to be affected by the new property revaluations for Buller District, which will be finalised in the first half of 2023.

Location	Land Value	Rates 2023-24	Rates 2022-23	Variation %
Res 101 Karamea	\$50,000	\$963	\$866	11.2%
Res 103 Little Wanganui	\$63,000	\$2,271	\$2,164	5.0%
Res 103 Mokihinui	\$57,000	\$1,419	\$1,331	6.6%
Res 103 Seddonville	\$37,000	\$938	\$861	9.0%
Res 104 Hector	\$48,000	\$1,374	\$1,289	6.6%
Res 104 Waimangaroa	\$40,000	\$2,062	\$1,982	4.0%
Res 106 Westport (Brougham)	\$75,000	\$4,087	\$3,919	4.3%
Res 106 Westport (Russell)	\$59,000	\$3,840	\$3,696	3.9%
Res 108 Carters Beach	\$85,000	\$3,793	\$3,654	3.8%
Res 113 Charleston	\$80,000	\$1,264	\$1,156	9.4%
Res 114 Punakaiki	\$170,000	\$3,276	\$3,090	6.0%
Res 101 Ikamatua	\$33,000	\$894	\$821	8.9%
Res 115 Reefton	\$36,000	\$2,999	\$2,908	3.1%
Res 101 Springs Junction	\$38,000	\$1,043	\$975	7.0%
Com 131 Karamea	\$95,000	\$3,302	\$2,981	10.8%
Com 134 Westport	\$180,000	\$13,815	\$12,700	8.8%
Com 140 Reefton	\$78,000	\$4,747	\$4,467	6.3%
Rur 141 Karamea	\$690,000	\$3,456	\$3,160	9.4%
Rur 143 Cape Foulwind	\$1,070,000	\$4,149	\$3,809	8.9%
Rur 141 Grey Valley	\$1,500,000	\$6,695	\$6,153	8.8%
RR 151 Karamea	\$125,000	\$1,434	\$1,307	9.7%
RR 152 Granity	\$90,000	\$1,229	\$1,121	9.6%
RR 151 Fairdown	\$155,000	\$1,567	\$1,501	4.4%
RR 152 Alma Road	\$190,000	\$1,608	\$1,451	10.8%

Rate movements	2022-2023 Annual Plan \$000	2023-2024 Long Term Plan \$000	2023-2024 Annual Plan \$000
Total rates	\$17,568	\$17,995	\$18,743
Rateable properties	7,525	7,525	7,566
Average rates	\$2,335	\$2,386	\$2,477
Rates movements	+9.5%	+5.4%	+6.8%

Note: The annual average rates are the sum of the general and targeted rates, divided by the number of ratepayers and is excluding GST. Actual rates changes for individual ratepayers may be smaller or greater depending on their location and services received.

Understanding your rates

Rate assessments

Rates assessments are made up of two types of rates: General Rates and Targeted Rates. Everybody pays a general rate which is based initially on the land value of their property. General rates are also affected by the use category defined for each property. Some categories pay at higher or lower rates.

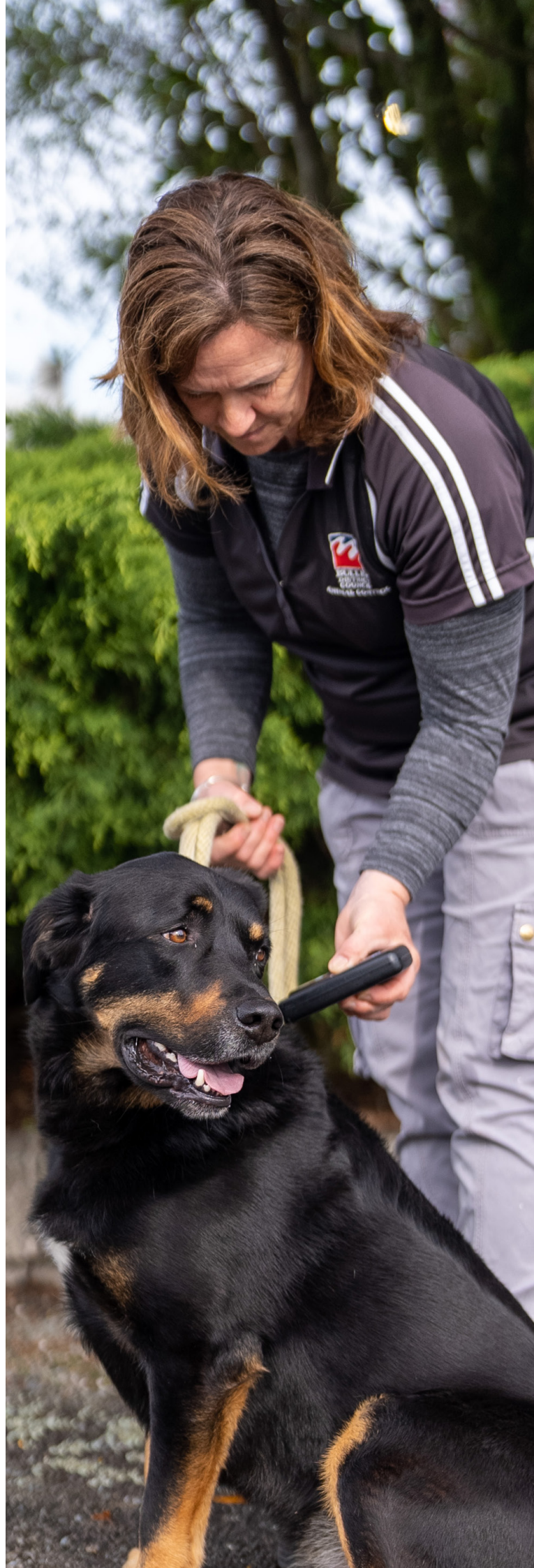
Targeted rates are payable by properties in a certain location, or those that receive, or are able to receive, a particular benefit. Target rates can be calculated on a value basis or a uniform basis. All of Council's current targeted rates are calculated on a uniform or flat basis, which means all ratepayers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

Uniform Annual General Charge (UAGC)

The Uniform Annual General Charge is the only targeted rate that applies to all properties. The Uniform Annual General Charge for 2023-2024 is \$550.00 (GST inclusive).

Other factors affecting your rates

Each year Council bases its rates charge on how much collectively needs to be collect to fund community infrastructure and services. There are two factors that may affect what an individual ratepayer might pay in rates from year to year. The first is the Quotable Value NZ property valuation which occurs every three years. The next revaluation is due in the first half of 2023, and will apply to property values for the rates that are struck on 1 July 2023 for this Annual Plan. The other factor is a change in use of the land.



We're not seeking submissions

Our proposed Annual Plan for 2023 – 2024, doesn't vary significantly from what we have in the Long Term Plan, so we're not completing a public consultation.

If you would still like to provide feedback on the draft Annual Plan, you are welcome to do so.



Email

annualplan@bdc.govt.nz



Online

<https://www.surveymonkey.com/r/2023-2024-Annual-Plan>



Post

Buller District Council, PO Box 21, Westport 7866



Talk to us

You can talk to your elected members about the Annual Plan. Find out how to get in touch

<https://bullerdc.govt.nz/have-your-say/2023-2024-draft-annual-plan/>



Have a read

Pop in to have a read of our 2023-2024 Annual Plan at Council facilities in Westport and Reefton, as well as the Sue Thomson Casey Memorial Library in Westport, the DoC Visitor Centre in Punakaiki, the Karamea Information Centre, and the Northern Buller Resource Centre.



SCAN ME

TO COMPLETE OUR SURVEY

Get informed now!

KEY DATES FOR THE ANNUAL PLAN 2023/24

8 May 2023

Information for draft Annual Plan is available and the community can provide feedback.

28 May 2023

Community feedback closes.

7 June 2023

Elected members determine any changes to make to the draft Annual Plan in a public workshop.

28 June 2023

Elected members will adopt the 2023 – 2024 Annual Plan.

1 July 2023

The 2023 – 2024 Annual Plan comes into effect.

What about fees and charges?

We have completed our annual review of fees and charges and are proposing some changes for 2023 – 2024. To view the draft and provide feedback, please go to www.bullerdc.govt.nz/have-your-say/2023-2024-draft-annual-plan/

Supporting information

Draft 2023 2024 Annual Plan

Supporting information is available at Council facilities in Westport and Reefton, as well as the Sue Thomson Casey Memorial Library in Westport, the DoC Visitor Centre in Punakaiki, the Karamea Information Centre, and the Northern Buller Resource Centre and on our website <https://bullerdc.govt.nz/have-your-say/2023-2024-draft-annual-plan/>



SCAN ME

TO VIEW SUPPORTING INFORMATION

Let's shape our district for the next 10 years

We have started planning for the review of the 10-year Long Term Plan. As we did last time, we want to hear your thoughts right at the start.

Towards the end of this year, we will engage with you through a range of events and ways across Buller, and we would love to hear what matters to you— what you think are the priorities for our piece of paradise, and where we should focus on, invest and put our priorities.



BULLER
DISTRICT COUNCIL
Te Kaunihera O Kawatiri

 Scott's Beach on the Heaphy Track

Westport Office

4-6 Brougham Street,
PO Box 21, Westport 7866
New Zealand

Freephone 0800 807 239

Phone 03 788 9111

Email info@bdc.govt.nz

Reefton Office & Library

66 Broadway, PO Box 75,
Reefton 7851, New Zealand

Freephone 0800 808 821

Phone 64 3 732 8821

Sue Thomson-Casey

Memorial Library

87-89 Palmerston Street,
Westport 7825, New Zealand

Phone 64 3 788 8030

**We are not seeking submission
but welcome your feedback.**

Our proposed plans for 2023-2024 do not vary significantly from what we have in the 2021 – 2031 Long Term Plan, so we're not completing a public consultation.

If you would still like to provide feedback on the draft Annual Plan, you are welcome to do so.



bullerdc.govt.nz