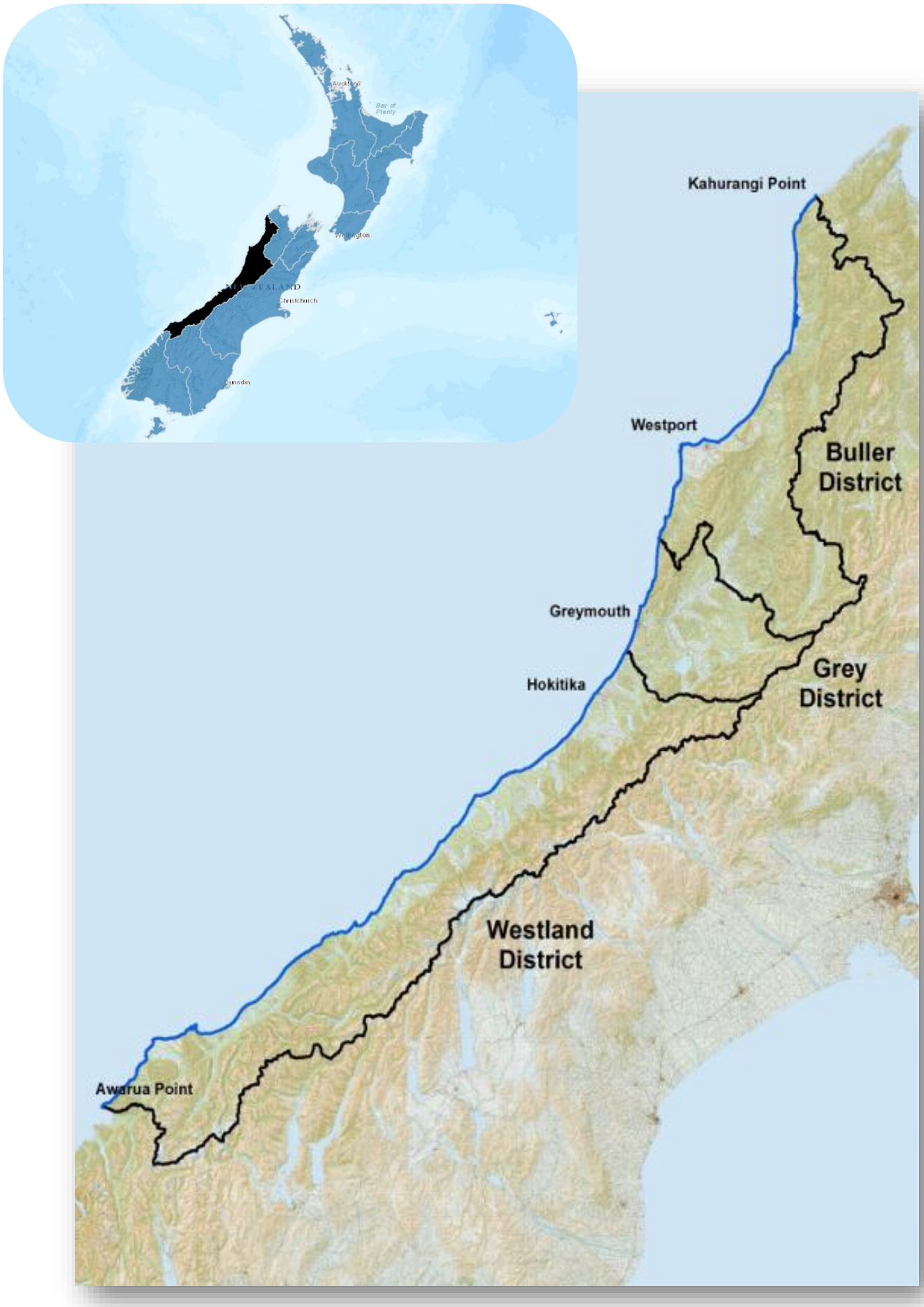
West Coast Regional Council

Annual Plan 2026 – 2027

To be read in conjunction with the Long-Term Plan 2024 – 2034

WEST COAST
REGIONAL COUNCIL

wcrc.govt.nz


Kahurangi Point
Westport
Buller District
Greymouth
Hokitika
Grey District
Westland District
Awarua Point

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Cover photograph: A member of Council's Environmental Science Team measures the clarity of a water body

Previous page: The West Coast Regional Council land boundary encompasses the three district council territories

Message from the Chair

This is the final Annual Plan under Councils Long-Term Plan 2024 – 2034. It is also my first year as a Regional Councillor, and as Chairperson. I am grateful for the opportunity I now have to contribute to the leadership of our region, in what is a very dynamic period of change for us all. It is certainly a privilege to be working for all communities across our region, as we work through the changes that confront us.

Whilst delivering this plan, Council is also looking out ten years to produce its next Long-Term Plan (2027 – 2037).

Local authorities are working in an environment of change, opportunity, and challenge. Local Government reform is on its way, which will not be a surprise to West Coasters, who have been aware of the need for change for some time. Legislative changes have also required a response by Council, including in the delivery of our Emergency Management and Resource Management activities.

Overall, this council has focused on staying the course for the 2026 – 2027 year and the need to deliver the activities Council identified in its Long-Term Plan.

To successfully deliver the key projects has been a challenge. We have minimised general rates impact and maintained existing levels of service. The fiscal challenge has been addressed, for the next year, by a drawdown from Council's investment fund. This financial buffer avoids an increase in the General Rate, above the 7.5% forecasted to you in our Long-Term Plan.

To support our region's resilience, Council has agreed to allocate $4 million from its investment fund toward natural hazard management, including coastal, flood, and drainage works. This includes $1 million for each of the Franz Josef, Hokitika, Greymouth Floodwall, and Westport rating districts. These funds will be overseen by the respective Joint Committees, with project proposals subject to Council approval.

Council remains focused on delivering its statutory work and its core services at a scale our communities can afford, with affordability being top-of-mind for us.

Council delivers many of its services through the collection of Targeted Rates. I refer readers to the rating information on pages 35 - 46, that identifies the range of Targeted Rates.

Council has begun a rating review focusing on how we can fund existing and new coastal and flood protection infrastructure, and resilience initiatives. It will consult about options as part of the next Long-Term Plan. I urge you all to participate in this upcoming conversation.

Our focus areas for the year are improving functionality of our financial and asset management systems, progressing the Westport flood protection project, progressing a review of the regional coastal and flood protection schemes, including the funding regime, to inform the development of the 2027 – 2037 Long-Term Plan.

Our ongoing work includes the installation of a network of continuous groundwater level monitoring in the Grey, Westport and Hokitika catchments, expansion of remote camera networks with active feeds for community use, and flood gauging, and emergency management use. Continuing to build the West Coast Lake Health Database using traditional physiochemical methods. Plan surveys are also ongoing.

In addition, Council has made a shift in its compliance monitoring, with the phasing out of annual dairy inspections and increasing inspections of other significant activities and discharges. This approach will continue into the future.

The Te Tai o Poutini Plan is in the process of becoming operative, the Regional Pest Management Plan will be notified, and the Regional Land Transport Plan will be reviewed as part of the Councils ongoing work programme.

I trust you will find the content of this document informative and reassuring for you all in terms of the work your Council is undertaking on your behalf.

Colin Smith Chair, West Coast Regional Council

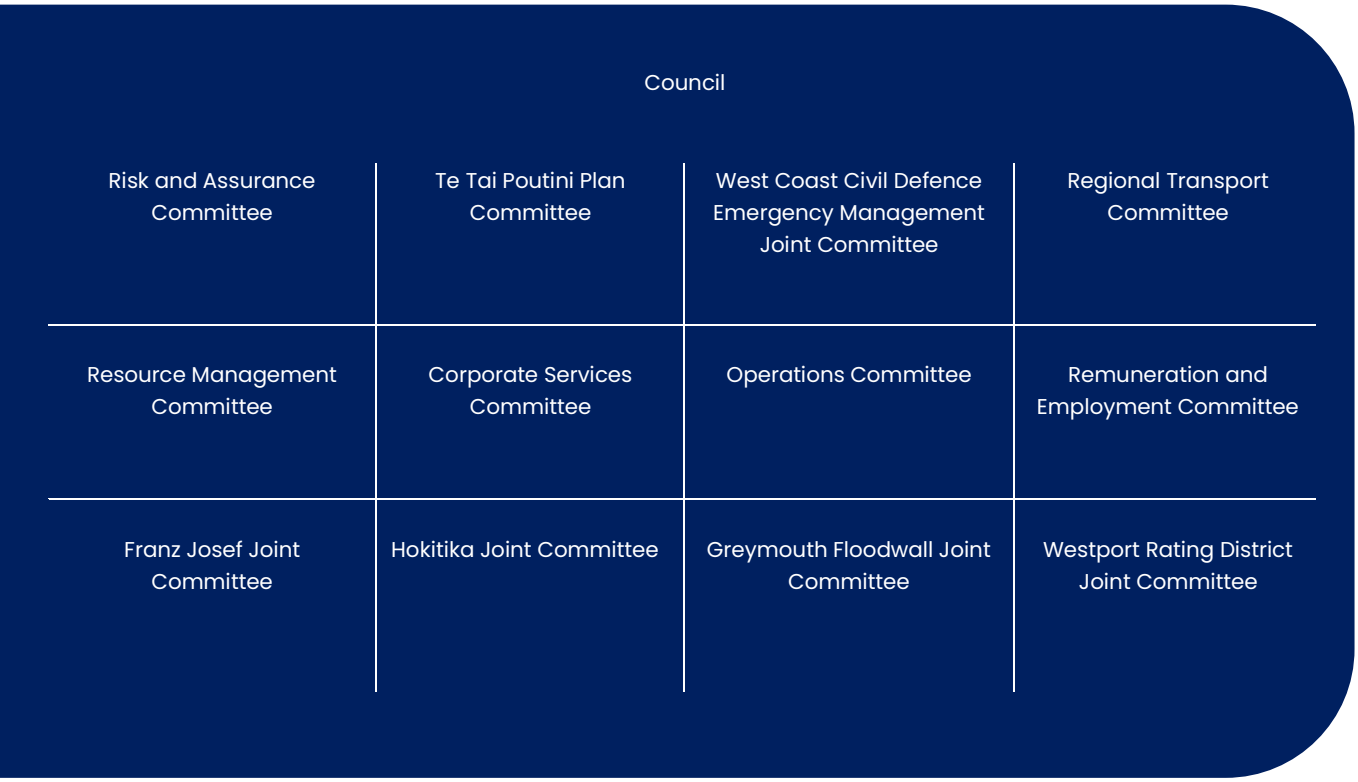
Back row: Andy Campbell, Ashley Cassin, Allan Birchfield, Chris Coll
Front row: Peter Ewen, Colin Smith,, Mark McIntyre

Your Council for 2025-2028

Colin Smith	Councillor Grey Constituency, Chair
Mark McIntyre	Councillor Buller Constituency
Chris Coll	Councillor Buller Constituency
Peter Ewen	Councillor Grey Constituency
Allan Birchfield	Councillor Grey Constituency
Ashley Cassin	Councillor Westland Constituency
Andy Campbell	Councillor Westland Constituency

The purpose of Local Government

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



Governance

The community elect councillors at local body elections every three years. The next election is scheduled for October 2028. Councillors focus on setting strategy and policy through the Long-term and Annual Plans together with ongoing governance of activities through the Council Committee structure.

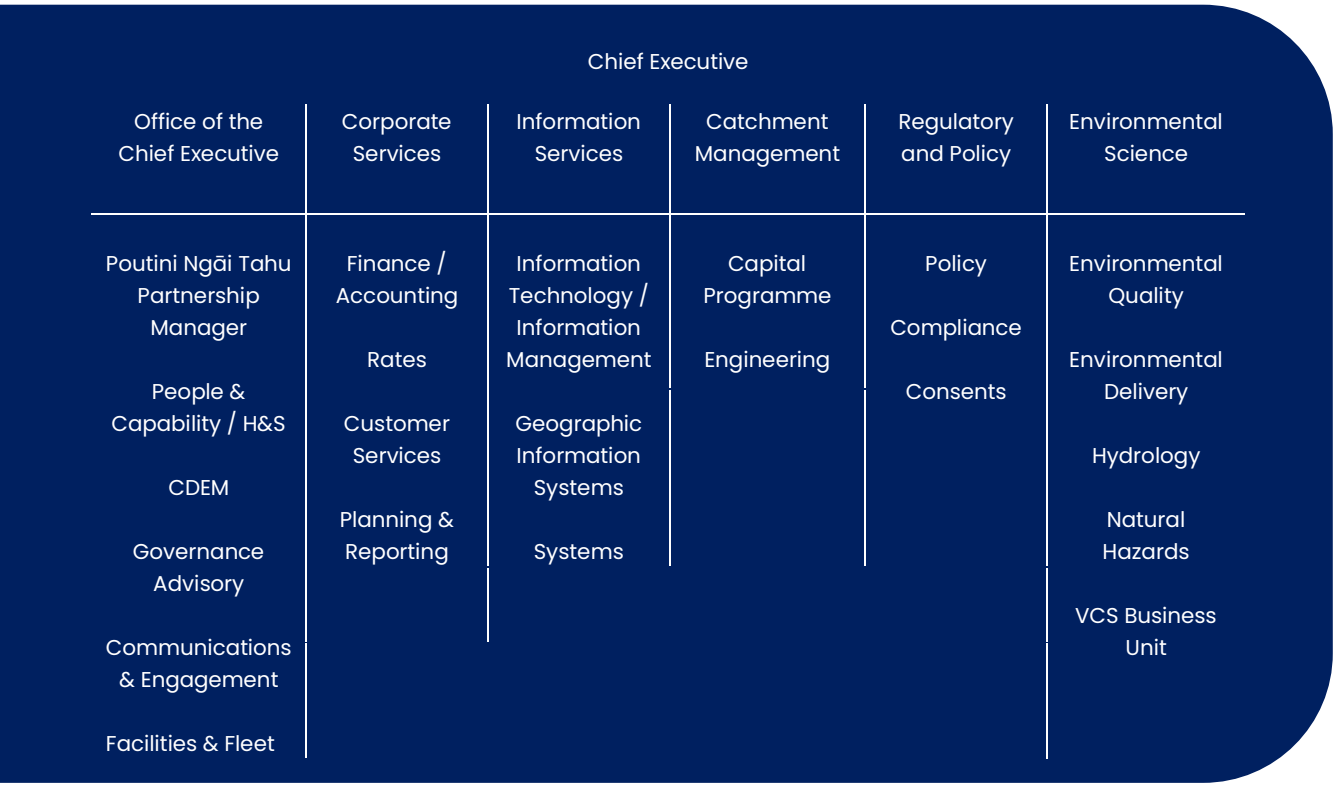
Council committee structure

The Committee structure adopted by this Council ensures that governance structures and processes are effective, open, and transparent, and that decision-making in relation to regulatory responsibilities is separated from decision-making for non-regulatory responsibilities.

Governance Statement

Council produces a new Governance Statement within six months of every triennial election. This document is available on the Councils website and includes information on the following matters:

- Functions, responsibilities, and activities of the local authority
- Details of any local legislation
- Bylaws of a local authority
- The electoral system used and the opportunities to change it
- Representation arrangements
- Members roles and conduct
- Governance structures, membership, and delegations
- Meeting processes
- Consultation policies
- Policies for liaising with Māori
- Management structure and relationship between management and elected members
- Equal Employment Opportunity Policy
- Key planning & policy documents and the process for their development and review
- Public access to Council and elected members
- Process for requesting official information



Management

The management arm of the Council is responsible for implementing Council's policies and strategies and delivering services to the community.

Groups of activities

Council has five groups of activities, under which all services are delivered:

- **Regional leadership**
- **Infrastructure and resilience**
- **Natural environment**
- **Policy and regulation**
- **Commercial activities**

The organisational structure has been designed in accordance with these group activities. It is a flat, compact structure, which results in a high level of delegated authority, productivity, and commitment. Most activities are primarily the output of one group. However, some tasks require resources to be acquired from across the organisation.

Working together with Poutini Ngāi Tahu

The kaitiaki of the region are Te Rūnanga o Ngāti Waewae and Te Rūnanga o Makaawhio, collectively referred to as Poutini Ngāi Tahu.

Council's bedrock for its relationship with Poutini Ngāi Tahu is Mana Whakahono ā Rohe (Iwi Participation Arrangement). Council is proud to have marked a significant milestone in October 2020 at Arahura Marae with New Zealand's first signing of such an arrangement by representatives of Te Rūnanga o Ngāti Waewae, Te Rūnanga o Makaawhio, Te Rūnanga o Ngāi Tahu, and the West Coast Regional Council (WCRC).

Mana Whakahono ā Rohe sets out a framework for iwi and Council to work together on processes and protocols for the future. It is an expression of the strong relationship between the parties.

Image: Councillor Coll at Bruce Bay Marae, Te Tauraka Waka a Māui.

About the Annual Plan 2026-2027

This Annual Plan is to be read in conjunction with the LTP 2024 - 2034

Copies of the LTP are available from Council offices, or on our website: www.wcrc.govt.nz

Council produces a Long-Term Plan (LTP) every three years, setting out Council's strategic direction, vision, mission and values, financial and infrastructure strategies, its Groups of Activities (including community outcome linkage, Levels of Service, and its non-financial performance framework), funding intentions, and financial information covering a 10-year period.

An annual plan is then prepared for each financial year within the LTP period. This Annual Plan is Year 3 of the 2024–34 LTP (2026 – 2027):

In November 2025, whilst this plan was being developed, Government announced that local authority reform would be occurring from 2028. It provided direction to councils that Local Government Act planning and reporting responsibilities must continue while the reform / reorganisation process is underway. This includes development and adoption of Annual Plans, Annual Reports, and Long-Term Plans.

Except where explicitly noted the plans, strategies, programmes, levels of service, and performance measures identified in the LTP apply to this Annual Plan and the ongoing operations of Council.

As the context that we work within has changed since we published the LTP 2024 – 2034, some of our work programmes and priorities have also been subject to minor change. We have looked at where we need to refocus effort to ensure we continue to deliver for our community, grow our economy and enable a thriving environment.

The foreshadowed budgets, funding, and financial statements in the Long-Term Plan are updated to reflect the Consumers Price Index (CPI) and other inflation metrics. The CPI measures the changing cost of goods and services, and annual adjustments ensure that living costs, insurance cover, or contract fees keep pace with inflation. Organisation-wide costs are updated, with some savings and some cost increases. For 2026 – 2027 the budgeted Vector Control Services surplus is anticipated to be lower than the prior year.

All groups of activities use day-to-day operational assets (buildings, motor vehicles, plant and equipment, office furniture and computer equipment). The Council maintains sufficient operational assets to undertake its activities. The operational assets are maintained to sufficient service levels to enable staff to complete their duties safely, efficiently, and effectively. All maintenance budgets are included within Council's operational expenses.

Council reports quarterly about its progress with meeting the non-financial performance measures identified in the LTP and delivers an Annual Report focused on financial accountability.

The following section re-iterates the key projects for Year 3 of the LTP.

Government legislative requirements have been factored in, including the requirement for a spatial plan to be developed by all councils, and changes to the Emergency Management Act which require action. Local Government reform has been anticipated.

There are no significant changes to the work programme from that previously set out in the LTP as year 3 commitments. Overall, this Annual Plan demonstrates Councils intention for a business-as-usual approach.

Key projects for 2026 - 2027

Regional leadership

Continue the rebuild of corporate services and back-office functions, including the purchasing, onboarding, and training of new financial modelling tools and financial systems.

Implement the outcomes of the review of the Paetae Kotahitanga ki Te Tai Poutini – Partnership Protocol, and the Mana Whakahono ā Rohe – Iwi Participation Arrangement.

Infrastructure & resilience

Implement and improve functionality of the operational Asset Management System, to enhance the collection and storage of inspection data for each rating district.

Continue the Westport flood protection project.

Progress the coastal and flood infrastructure scheme review, including reviewing the current funding model, to inform the development of the 2027 – 2037 LTP.

Develop and install a network of continuous groundwater level monitoring in the Grey, Westport and Hokitika catchments (a 10-year programme).

Continue network expansion of remote cameras with active feeds for community use, flood gauging, and emergency management use.

Extend the emergency services resource register to include community and business assets (this work began in Year 2 of the LTP and will continue in Year 3).

Complete the regional fuel storage capacity review, initiated in Year 2 of the LTP. The project is to update the existing 2022 West Coast Fuel Plan.

Natural environment

Continue to build the West Coast Lake Health Database using traditional physiochemical methods and plan surveys.

Develop air monitoring work programmes, if required.

The air monitoring policy has been reviewed by the Council; however the implementation is unlikely to occur during 2026- 2027 as the Government designated “Plan stop” has meant work on the Regional Air Plan is on hold.

The Regional Pest Management Plan will be notified in Year 3 of the LTP, then consulted on during 2027 – 2028, which is a year different to that forecast in the LTP.

Policy & regulation

Te Tai o Poutini Plan to become operative.

Continue shift in compliance monitoring with the phasing out of annual dairy inspections and increasing inspections of other significant activities and discharges.

Review and notify the Regional Land Transport Plan.

Investigate the demand for public transport services, and the form these may take.

Implement outcomes of the navigation and harbour responsibilities review

Progress with the following, during 2026- 2027, is subject to the Government designated "Plan stop":

- Regional Policy Statement – mediation
- Regional Land & Water Plan – hearings
- Regional Coastal Plan – hearings
- Regional Air Plan - hearings

It is unlikely the IRIS new generation system upgrade for consent processing will occur in 2026 – 2027, as was forecast in the LTP.

Commercial activities

For 2026 – 2027 it is likely Council will maintain its current business operation in Wild Animal Control, rather than increase investment as was forecast in the LTP.

Funding the changes

The desired position was to align the 2026 - 2027 General Rates increase with that forecast in the LTP 2026 - 2027, which is 7.5%. The changes identified resulted in a potential 15% variance to the General Rate.

Options for funding this variance were evaluated by the Council, and included an increase to rates, a reduction in levels of service, to debt fund or use the Councils Investment Fund.

The decision has been made to use the Councils Investment Fund to meet the shortfall. This option maintains the projected balance threshold of the fund and means General Rates do not need to be lifted beyond 7.5%.

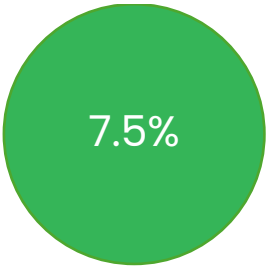
Refer to Prospective statement of comprehensive revenue and expenses, page 17.

Budgetary risks

There is uncertainty in the local government sector about the cost of responding to ongoing sector and legislative reforms (including Local Government, Resource Management Act, Emergency Management).The non-funding of ongoing sector and legislative reforms creates a material risk that 2026 - 2027 costs will exceed current funding settings, services, timing, and/or the funding mix.

The key elements of this plan

Total costs of delivering our services to the community



Increase in Council General Rates Requirement - as had been previously forecast in the LTP

Total number of permanent staff funded through General Rates expressed as Full Time Equivalent (FTE)

FTE staff not funded by General Rates

Total number of rating units in the West Coast region

Total population of the region (2023 Census)

Total capital value of all properties in the region

Total land value of all properties in the region

Environmental Monitoring Officer in the Council laboratory

Financial Statements

This section contains -

Prospective statement of comprehensive revenue and expenses

Prospective statement of changes in equity

Prospective statement of financial position

Prospective statement of cash flows

Prospective consolidated funding impact statement

Prospective statement of comprehensive revenue and expenses

	2025/26 LTP ($000)	2026/27 LTP ($000)	2026/27 Annual Plan ($000)
Revenue			
Rates	14,880	16,640	15,390
Subsidies and grants	8,421	421	14,647
User fees & charges	1,562	1,621	4,017
Revaluation of investment property	134	141	-
Investment income & contract income	3,686	3,657	4,188
Total revenue	**28,683**	**22,480**	**38,243**
Expenditure			
Regional leadership	1,011	875	1,910
Policy & regulation	5,643	5,425	8,384
Infrastructure & resilience	7,279	7,438	7,228
Commercial	3,209	3,743	4,245
Natural environment	6,833	6,711	5,109
Total expenditure	**23,975**	**24,192**	**26,876**
Net surplus / (deficit) for the year	**4,708**	**(1,712)**	**11,366**
Other comprehensive revenue and expense			
Revaluation reserve movement	7,239	7,876	7,876
Total comprehensive revenue and expense	**11,947**	**6,164**	**19,242**
Summary of operating expenditure by expenditure type			
Interest	1,446	1,697	1,353
Depreciation & amortisation	856	926	617
Employee benefits	9,215	9,328	12,144
Other operating expenditure	12,458	12,241	12,762
Total expenditure	**23,975**	**24,192**	**26,876**

Prospective statement of changes in equity

	2025/26 LTP ($000)	2026/27 LTP ($000)	2026/27 Annual Plan ($000)
Balance at 1 July	211,308	223,255	221,363
Net surplus / (deficit) for the year	4,708	(1,712)	11,366
Revaluation reserve movement	7,239	7,876	7,876
Balance at 30 June	**223,255**	**229,419**	**240,605**

Prospective statement of financial position

	2025/26 LTP ($000)	2026/27 LTP ($000)	2026/27 Annual Plan ($000)
Current assets			
Cash	615	1,034	267
Receivables	2,077	1,573	1,573
Inventories	759	759	823
Other financial assets	1,000	1,000	1,000
Total current assets	**4,451**	**4,366**	**3,663**
Non-current assets			
Property, plant and equipment	237,577	248,023	270,673
Intangible assets	707	682	7
Investment property	2,460	2,602	-
Investments	104	104	181
Other financial assets	13,399	13,399	13,150
Total non-current assets	**254,247**	**264,810**	**284,011**
Total assets	**258,698**	**269,176**	**287,674**
Liabilities			
Current liabilities			
Borrowings	5,311	6,839	8,866
Payables and deferred revenue	4,873	4,830	5,830
Employee entitlements	484	484	484
Total current liabilities	**10,668**	**12,153**	**15,180**
Non-current liabilities			
Borrowings	24,260	27,090	31,375
Future quarry restoration	514	514	514
Total non-current liabilities	**24,774**	**27,604**	**31,889**
Total liabilities	**35,442**	**39,757**	**47,069**
Equity			
Accumulated comprehensive revenue	54,471	52,759	56,548
Rating district equity	3,978	3,977	3,977
Revaluation reserves	151,100	158,976	165,080
Investment growth reserve	12,707	12,707	14,000
Catastrophe fund	1,000	1,000	1,000
Total equity	**223,256**	**229,419**	**240,605**
Total liabilities and equity	**258,698**	**269,176**	**287,674**

Prospective statement of cash flows

	2025/26 LTP ($000)	2026/27 LTP ($000)	2026/27 Annual Plan ($000)
Cash flows from operating activities			
Rates revenue	14,719	16,492	15,390
Investment income & contract income	3,686	3,656	4,188
Other income	10,245	2,694	18,664
Payments to suppliers and employees	(22,403)	(21,653)	(23,834)
Interest paid	(1,517)	(1,827)	(1,353)
Net cash flow from operating activities	**4,730**	**(638)**	**13,055**
Cash flows from investing activities			
Purchase of property, plant, and equipment	13,231	3,472	26,171
Net cash flow from investing activities	**13,231**	**3,472**	**26,171**
Cash flows from financing activities			
Proceeds from borrowing	9,118	6,045	13,229
Repayment of borrowing	(1,292)	(1,516)	(461)
Net cash flow from financing activities	**7,826**	**4,529**	**12,768**
Net increase in cash and cash equivalents	(675)	419	(348)
Opening cash and cash equivalents	1,290	615	615
Closing cash and cash equivalents	**615**	**1,034**	**267**

Prospective consolidated funding impact statement

	2025/26 Annual Plan ($000)	2026/27 LTP ($000)	2026/27 Annual Plan ($000)
Sources of operating funding			
General rates	9,747	10,442	10,478
Targeted rates	4,516	6,198	4,912
Subsidies and grants	1,002	421	448
Fees and charges	4,575	1,621	4,017
Income from investments	4,336	3,656	4,188
Fines, infringement fees and other receipts	-	-	-
Total operating funding (A)	**24,177**	**22,338**	**24,043**
Applications of operating funding			
Payments to staff and suppliers	24,009	21,568	24,092
Finance costs	1,144	1,697	1,353
Other operating funding applications	-	-	-
Total applications of operating funding (B)	**25,154**	**23,265**	**25,445**
Surplus / (deficit) of operating funding (A-B)	**(977)**	**(927)**	**(1,402)**
Sources of capital funding			
Subsidies and grants	14,958	-	14,199
Development and financial contributions	-	-	-
Increase / (decrease) in debt	14,490	4,399	12,767
Other dedicated capital funding	-	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of capital funding (C)	**29,448**	**4,399**	**26,966**
Applications of capital funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	27,973	3,077	26,171
- to replace existing assets	167	395	-
Increase / (decrease) in investments	-	-	-
Increase / (decrease) in reserves	332	-	(606)
Total applications of capital funding (D)	**28,471**	**3,472**	**25,564**
Surplus / (deficit) of capital funding (C-D)	**977**	**927**	**1,402**
Funding balance ((A-B)+(C-D))	**-**	**-**	**-**

Hydrology technicians analysing data

Statement of Accounting Policies

Reporting entity

The West Coast Regional Council is domiciled and operates in New Zealand and is a regional local authority governed by the Local Government Act 2002 (LGA). The Council is a public benefit entity (PBE) for financial reporting purposes.

The primary objective of Council is to provide goods or services to the community or social benefit rather than making a financial return.

The prospective financial statements were authorised for issue by Council on 23 June 2026.

Cautionary note

Readers of these prospective financial statements should be aware that actual results are likely to vary from the information presented here, and that variations may be material.

The prospective financial statements are prepared to assist compliance with the purpose of the Long-Term Plan, which is to:

- Describe the activities of the local authority;
- Describe the community outcomes of the region;
- Provide integrated decision making and coordination of the resources of the local authority;
- Provide a long-term focus for the decisions and activities of the local authority;
- Provide a basis for accountability of the local authority to the community;
- Provide an opportunity for participation by the public in decision-making processes on activities to be undertaken by the local authority.

The information may not be appropriate for purposes other than those described.

Basis of preparation

These prospective financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the period.

These prospective financial statements of the Council have been prepared in accordance with the requirements of the LGA and the Local Government (Finance Reporting and Prudence) Regulations 2014 (LG(FRP)R), which include the requirements to comply with generally accepted accounting practice in New Zealand (NZ GAPP).

These prospective financial statements also comply with Financial Reporting Standard 42 – Prospective Financial Statements (PBE FRS 42).

These financial statements have been prepared in accordance with Tier 2 PBE accounting standards Reduced Disclosure Regime (RDR).

The West Coast Regional Council (WCRC) qualifies as a Tier 2 entity as its total expenditure is less than $30 million per annum. These financial statements comply with the PBE standards RDR and are presented in New Zealand dollars.

Investment in associates and Council Controlled Organisations

The Council's investments in these entities are accounted for using the equity method. An associate is an entity over which the Council has significant influence, and this is neither a subsidiary nor an interest in a joint venture. The investment in an associate is initially recognised at cost and subsequently entity accounted.

Revenue

Revenue is measured at the fair value of consideration received or receivable.

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 transactions 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 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 break-even basis and are not considered to reflect a market return. Most of Council's revenue is therefore categorised as non-exchange. Specific accounting policies for major categories of revenue are outlined below. 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 transaction other than taxes.

Rates revenue

Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised at the start of the year to which the resolution relates.

Other revenue

Council receives government grants from Waka Kotahi NZ Transport Agency, which subsidises part of Council in carrying out its land transport responsibilities. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

Other grants 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.

Interest income is recognised using the effective interest method. Dividends are recognised when the right to receive payment has been established.

Sale of goods

Revenue from the same of goods is recognised when a product is sold to the customer.

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

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 start 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 finance charge is charged to the surplus or deficit over the lease period 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 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.

Trade and other receivables

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL). Council applies the simplified ECL model of recognising lifetime ECL for receivables.

In measuring ECL's, 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 been grouped based on the days past due. A provision matrix is then established based on the 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 Council's Rates Remissions and Postponements 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.

Inventories

Inventories held for consumption in the provision of services that are not supplied on a commercial basis are measured at cost. The write down from cost to current replacement cost, or net realisable value, is recognised in the surplus or deficit. Inventories held for use in the provision of goods and services on a commercial basis are valued at the lower of cost (using the "First in First Out" method) and net realisable value.

Derivative financial instruments and hedge accounting

Derivative financial instruments are used to manage exposure to foreign exchange and interest rate risks arising from financing activities. In accordance with its treasury policy, the Council 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 re-measured at 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 of derivatives that are not hedge accounted are recognised in the surplus or deficit.

Council has not designated any derivatives as hedging instruments.

The Council designates certain derivatives as either:

- Hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or
- Hedges of highly probable forecast transactions (cash flow hedge).

At the inception of the transaction, Council documents the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. Council also documents its assessment, both at hedge inception and on an ongoing basis, whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The full fair value of a 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.

Other Financial assets

Council has two classifications for its financial assets:

- Financial assets at fair value through surplus or deficit.
- Amortised cost.

Financial assets are initially recognised at fair value.

Transaction costs are included in the carrying value of the financial asset at initial recognition, unless it has been designated at Fair Value Through Surplus or Deficit (FVTSD), in which case it is recognised in surplus of deficit.

The classification of a financial asset depends on its cash flow characteristics and the Council's management model for 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 or interest (SPPI)' on the principal outstanding and is held within a management model whose objectives to collect the contractual cash flows of the asset.

Subsequent management 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's investment fund portfolio (comprising of listed shares, bonds, and units in investment funds) and LGFA borrower notes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. Council fund manager JBWere obtains independent verified market prices from third parties such as trading banks, broking houses, and originating companies for all assets/securities.

Managed funds are valued at the value date price used as the exit price at month end and can be deemed to be fair value. JBWere valuations use the redemption unit price to value unit trust products. The value of a unit is based on the net value of the relevant fund.

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.

There are also assets in trade and other receivables that are not financial assets such as the right to receive rock.

Impairment of financial assets

Expected credit loss allowance (ECL)

Council recognises 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 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, Council 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 Council's historical experience and informed credit assessment and including forward-looking information.

Council considers a financial asset to be in default when the financial asset is more than 90 days past due.

Council 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.

Property, plant, and equipment

Property, plant, and equipment consists of:

- Operational assets – These include land, buildings, plant and equipment, and motor vehicles.
- Infrastructure assets – Infrastructure assets are the river, drainage and coastal protection systems owned by Council. They include rock protection work and stop banks.

Property, plant, and equipment is shown at cost or valuation, less accumulated depreciation, and impairment losses.

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 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 or 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. The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant, and equipment other than land and river protection systems, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. Due to the nature of the river systems and the structural composition of river protection works, no decline in service potential occurs.

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Item	**Estimated life**	**Rate**
Buildings	50 – 67 years	1.5% - 2%
Portable buildings	10 years	10%
Building components	6.7 – 20 years	5% - 15%
Plant and equipment	4 – 6.7 years	15% - 25%
Motor vehicles	6 – 7 years	15%
Capitalised quarry costs	Based on the pattern of benefits from the Quarry	Not applicable

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

Revaluation

Infrastructural asset classes: River, Drainage and Coastal Protection Assets: These assets are valued at fair value. The most recent valuation was prepared by WSP New Zealand as at 30 June 2025.

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 and other comprehensive income. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the surplus or deficit. Any subsequent increase on revaluation that offsets a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset and other comprehensive income.

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 associated with maintaining computer software are recognised as an expense when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Item	Estimated life	Rate
Computer software	3.3 – 10 years	10% - 30%

Impairment of non-financial assets

Assets with a finite useful life and are measured at cost 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 asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets is the present value of expected future cash flows. 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 or deficit.

The total impairment loss is recognised in the surplus or deficit.

Investment property

Property leased or intended to be leased to third parties under operating leases, is 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 cost, including transaction costs. After initial recognition, all investment property is measured at fair value as determined annually by an independent valuer. Gains or losses arising from a change in the fair value of the investment property are recognised in the surplus or deficit.

Employee benefits

Short-term benefits:

- Employee benefits 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.

Long-term benefits:

- Long service leave - Entitlements payable beyond 12 months, such as long service 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;
- Superannuation schemes - Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit as incurred.

Provisions

Council recognises a provision for future expenditure of uncertain amounts 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.

Borrowings

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

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:

- Retained earnings;
- Restricted reserves; and
- Asset revaluation reserves.

Restricted and Council created reserves

Restricted 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 subject to specific conditions accepted as binding by Council and which may not be revised by Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

Goods and Services Tax (GST)

All items in the financial statements are stated exclusive of GST, except 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.

Budget figures

The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by Council for the preparation of the financial statements.

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

In preparing these 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.

There are estimates and assumptions of fair value of Infrastructure, Quarry Restoration Provision and Capitalised Quarry Development costs that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Council does not recognise community owned protection assets until they are formally inspected for condition and performance. Once appropriate service level decisions are made, the assets will be accepted to vest in Council.

Additional disclosures

Required pursuant to Local Government Act 2002, Schedule 10, Clauses 20, 20A & 21

Targeted Rates

The following table summarises the types of targeted rate, the group of activities or activity funded by that targeted rate together with matters and factors of the targeted rates.

Notes: *Differential with regard to River, Drainage & Coastal protection activity scheme rates means that there may be several different classes of land with the Separate Rating Area, e.g. Classes A, B, C, D etc. These different classes reflect the different degrees of benefit that the different classes of land receive from the protection works.*

Copies of maps setting out the boundaries of the various separate rating areas, including classifications within the rating areas can be accessed on Council website www.wcrc.govt.nz. Council does not invite nor will it accept lump sum contributions in lieu of any targeted rate.

Activity Group	Types of Rates	Types of land	Different categories
Regional Emergency Management	Emergency Management	All rateable land in the region	Capital Value
Te Tai o Poutini Plan (combined District Plan)	Plan preparation	All rateable land in the region	Capital value
River, drainage, and coastal protection	Scheme loan repayment and maintenance rates	Land within the boundaries of the Franz Josef Separate Rating area	Differential Capital Value
River, drainage, and coastal protection	Scheme loan repayment and maintenance rates	Land within the boundaries of the Greymouth Floodwalls Separate Rating area	Capital Value
River, drainage, and coastal protection	Scheme maintenance rate	Land within the boundaries of the Hokitika River South Bank Separate Rating area	Differential Capital Value
River, drainage, and coastal protection	Scheme loan repayment and maintenance rates	Land within the boundaries of the Hokitika 2021 Separate Rating area	Capital Value
River, drainage, and coastal protection	Scheme maintenance rate	Land within the boundaries of the Inchbonnie Separate Rating area	Differential Capital Value
River, drainage, and coastal protection	Scheme maintenance rate	Land within the boundaries of the Karamea Separate Rating area	Differential Capital Value
River, drainage, and coastal protection	Scheme maintenance rate	Land within the boundaries of the Kongahu Separate Rating area	Differential Land Area
River, drainage, and coastal protection	Scheme maintenance rate	Land within the boundaries of the Kowhitirangi Separate Rating area	Differential Capital Value

Activity Group	Types of Rates	Types of land	Different categories
River, drainage, and coastal protection	Scheme loan repayment rate	Land within the boundaries of the Matainui Creek Separate Rating area	Capital Value
River, drainage, and coastal protection	Scheme maintenance rate	Land within the boundaries of the Mokihinui Separate Rating area	Per rating unit
River, drainage, and coastal protection	Scheme maintenance rate	Land within the boundaries of the Nelson's Creek Separate Rating area	Differential Land Area
River, drainage, and coastal protection	Scheme maintenance rate	Land within the boundaries of the Neil's Beach Separate Rating Area	Capital Value
River, drainage, and coastal protection	Scheme maintenance rate	Land within the boundaries of the Okuru Separate Rating area	Capital Value
River, drainage, and coastal protection	Scheme maintenance rate	Land within the boundaries of the Punakaiki Separate Rating area	Land Value
River, drainage, and coastal protection	Scheme loan repayment rate	Land within the boundaries of the Punakaiki Separate Rating area	Differential Capital Value
River, drainage, and coastal protection	Scheme loan repayment rate	Land within the boundaries of the Rapahoe Separate Rating Area	Per rating unit
River, drainage, and coastal protection	Scheme maintenance rate	Land within the boundaries of the Redjacks Separate Rating area	Differential Land Area
River, drainage, and coastal protection	Scheme maintenance rate	Land within the boundaries of the Tara Makau Separate Rating area	Differential Land Area
River, drainage, and coastal protection	Scheme maintenance rate	Land within the boundaries of the Vine Creek Separate Rating area	Differential Land Value
River, drainage, and coastal protection	Scheme maintenance rate	Land within the boundaries of the Waitangitaona Separate Rating area	Differential Land Area
River, drainage, and coastal protection	Scheme maintenance rate	Land within the boundaries of the Wanganui Separate Rating area	Differential Land Value
River, drainage, and coastal protection	Scheme maintenance rate	Land within the boundaries of the Whataroa River Separate Rating area	Differential Capital Value
River, drainage, and coastal protection	Scheme loan repayment and maintenance rates	Land within the boundaries of the Westport Separate Rating Area	Capital Value

Emergency Management Officer with a syphon pump designed to get fuel out of underground tanks when there's a power cut.

Rates Information

This section contains -

Rating Funding Impact Statement – Rates for the year ending 30 June 2027:

Rating Instalment Information

General Rate

Differential

Uniform Annual General Charge

Targeted Rates

Rates Information

Rating Funding Impact Statement – Rates for the year ending 30 June 2027

Note: All amounts are stated inclusive of GST.

The separate rating areas (and any differential categories within them) are defined on maps held by the Council and available for inspection or on-line.

Council does not invite lump sum contributions for any targeted rates.

Rating Instalment Information

Rates will be payable by two instalments:

First instalment:	Due date 20 October 2026	Penalty date 21 October 2026
Second instalment:	Due date 20 April 2027	Penalty date 21 April 2027

A penalty for late payment will be applied at the amount allowed by the Local Government Rating Act 2002 of 10% on any part of an instalment that remains unpaid on the penalty dates of 21 October 2026 and 21 April 2027.
A further 10% penalty will be charged on all accumulated rate arrears as at 30 June 2026, on 1 July 2026.

General Rate

The General Rate is used to fund activities that are of public benefit and where no other source of revenue is identified to cover the cost of the activities. The General Rate will be a differential general rate in the dollar set for all rateable land within the region and calculated on the Capital value of each rating unit.

Differential

Rateable Capital Value in the Buller District Council area to yield 32% of the total general rate. Rateable Capital Value in the Grey District Council area to yield 40% of the total general rate. Rateable Capital Value in the Westland District Council to yield 28% of the total general rate.

	Differential	Estimated Rateable Capital Value	Calculated Yield	GST Exclusive
Rateable Value of Land in Buller District Local Authority area	32%	$3,761,647,050	$2,510,124	$2,182,717
Rateable Value of Land in Grey District Local Authority area	40%	$4,682,147,950	$3,137,655	$2,728,396
Rateable Value of Land in Westland District Local Authority area	28%	$3,567,678,900	$2,196,359	$1,909,877
			$7,844,138	$6,820,989

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 activities that are of public benefit and where no other source of revenue is identified to cover the cost of the activities.

Estimated number of rating units	Amount per rating unit	Calculated Yield	GST Exclusive
20877	$201.47	$4,205,999	$3,657,390

Targeted Rates

Emergency Management

A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002. The Targeted Rate will be a uniform rate in the dollar set for all rateable land within the region and calculated on the Capital value of each rating unit, used to fund Emergency Management activities within the Region.

Regional Emergency Management	Estimated Rateable Capital Value	Calculated Yield	GST Exclusive
Rateable Value of Land in the Buller District Local authority Area	$3,761,647,050	$621,100	$540,087
Rateable Value of Land in the Grey District Local authority Area	$4,682,147,950	$773,087	$672,249
Rateable Value of Land in the Westland District Local authority Area	$3,567,678,900	$589,073	$512,237
		$1,983,259	$1,724,573

Te Tai o Poutini Plan (combined District Plan)

A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002. The Targeted Rate will be a uniform rate in the dollar set for all rateable land within the region and calculated on the Capital value of each rating unit, used to fund the cost of preparation of "One District Plan" as directed by the Local Government Commission.

Te Tai o Poutini Plan (combined District Plan)	Estimated Rateable Capital Value	Calculated Yield	GST Exclusive
Rateable Value of Land in the Buller District Local authority Area	$3,761,647,050	$242,366	$210,753
Rateable Value of Land in the Grey District Local authority Area	$4,682,147,950	$301,675	$262,326
Rateable Value of Land in the Westland District Local authority Area	$3,567,678,900	$229,869	$199,886
		$773,910	$672,965

Franz Josef

A targeted rate set differentially in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Franz Josef separate rating area, calculated on the capital value of each rating unit for the repayment of a loan raised to fund capital works within the scheme. The Franz Josef separate rating area includes all rateable land downstream of the State Highway 6 bridge that crosses the Waiho River. This includes all rateable land that was part of the original Lower Waiho, Franz Josef and Canavans Rating Districts. Also included are the additions of Stony Creek and all rateable land north of the Franz Josef township to Lake Mapourika.

Franz Josef Loan	Estimated Rateable Capital Value	Differential Based on Benefits	Calculated Yield	GST Exclusive
Area A	$195,798,640	1.00	$256,930	$223,417
Area B	$22,716,280	0.50	$14,904	$12,960
			$271,834	$236,377

A targeted rate set differentially in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Franz Josef separate rating area, calculated on the capital value of each rating unit for the maintenance of protection works in the scheme.

Franz Josef Maintenance	Estimated Rateable Capital Value	Differential Based on Benefits	Calculated Yield	GST Exclusive
Area A	$195,798,640	1.00	$163,042	$141,776
Area B	$22,716,280	0.50	$9,458	$8,224
			$172,500	$150,000

Greymouth

A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Greymouth Floodwall separate rating area, calculated on the capital value of each rating unit for the repayment of loans raised to fund capital works within the scheme.

Greymouth Floodwall (Loan)	Estimated Rateable Capital Value	Calculated Yield	GST Exclusive
	$1,857,846,205	$307,547	$267,432

A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Greymouth separate rating area, calculated on the capital value of each rating unit for the maintenance of protection works in the scheme.

Greymouth Floodwall (Maintenance)	Estimated Rateable Capital Value	Calculated Yield	GST Exclusive
	$1,857,846,205	$309,481	$269,114

Hokitika

A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Hokitika separate rating area, calculated on the capital value of each rating unit for the repayment of a loan raised to fund capital works within the scheme. The Hokitika separate rating area includes all rateable land within the following boundaries: The northern side of the Hokitika river upstream to St Albans Street, Kaniere. Up to Hau Hau Road, including the old racecourse area and Racecourse subdivision, Richards Drive and the Tasman Sea. The boundaries also include seaview and Hokitika Airport.

Hokitika Loan	Estimated Rateable Capital Value	Calculated Yield	GST Exclusive
	$956,091,535	$182,129	$158,373

A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Hokitika separate rating area, calculated on the capital value of each rating unit for the maintenance of protection works within the scheme. The Hokitika separate rating area includes all rateable land within the following boundaries: The northern side of the Hokitika river upstream to St Albans Street, Kaniere. Up to Hau Hau Road, including the old racecourse area and Racecourse subdivision, Richards Drive and the Tasman Sea. The boundaries also include seaview and Hokitika Airport.

Hokitika Maintenance	Estimated Rateable Capital Value	Calculated Yield	GST Exclusive
	$956,091,535	$181,513	$157,837

Hokitika Southside

A targeted rate set differentially in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Hokitika Southside separate rating area, calculated on the capital value of each rating unit for the maintenance of the protection works.

Hokitika Southside	Estimated Rateable Capital Value	Differential Based on Benefits	Calculated Yield	GST Exclusive
Area A	$4,131,000	1.00	$5,031	$4,375
Area B	$4,707,000	0.10	$573	$499
			$5,605	$4,874

Inchbonnie

A targeted rate set differentially in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Inchbonnie separate rating area, calculated on the capital value of each rating unit for the maintenance of protection works in the scheme.

Inchbonnie	Estimated Rateable Capital Value	Differential Based on Benefits	Calculated Yield	GST Exclusive
Class A	$3,472,000	1.00	$9,920	$8,626
Class B	$16,551,500	0.75	$35,469	$30,843
Class C	$7,757,000	0.50	$11,082	$9,636
Class D	$2,296,000	0.30	$1,968	$1,711
Class F	$2,770,000	0.15	$1,187	$1,032
			$59,626	$51,849

Karamea

A targeted rate set differentially in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Karamea separate rating area, calculated on the capital value of each rating unit for the maintenance of protection works in the scheme.

Karamea	Estimated Rateable Capital Value	Differential Based on Benefits	Calculated Yield	GST Exclusive
Class A	$1,978,800	1.00	$1,976	$1,718
Class B	$52,506,120	0.80	$41,947	$36,476
Class C	$4,046,000	0.60	$2,424	$2,108
Class D	$151,985,470	0.10	$15,178	$13,198
Class E	$92,002,060	0.05	$4,594	$3,995
			$66,119	$57,495

Kongahu

A targeted rate set differentially in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Kongahu separate rating area, calculated on the land area of each rating unit for the maintenance of protection works in the scheme.

Kongahu	Estimated Rateable Land Area (ha)	Differential Based on Benefits	Calculated Yield	GST Exclusive
Class A	719.9	1	$31,441	$27,340
Class B	95.3	0.52	$2,183	$1,898
			$33,623	$29,237

Kowhitirangi

A targeted rate set differentially in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Kowhitirangi separate rating area, calculated on the capital value of each rating unit for the maintenance of protection works in the scheme.

Kowhitirangi	Estimated Rateable Capital Value	Differential Based on Benefits	Calculated Yield	GST Exclusive
Class A	$14,944,000	1.00	$8,580	$7,461
Class C	$32,296,000	0.50	$9,271	$8,062
Class E	$29,122,000	0.29	$4,877	$4,241
Class F	$62,921,500	0.17	$6,022	$5,237
			$28,750	$25,000

Matainui Creek

A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Matainui Creek separate rating area, calculated on the capital value of each rating unit for the maintenance of the protection works in the scheme.

Matainui Creek	Estimated Rateable Capital Value	Calculated Yield	GST Exclusive
	$9,550,000	$8,643	$7,516

Mokihinui

A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Mokihinui separate rating area, calculated as a fixed charge per rating unit.

Mohikinui Rating District	Estimated number of rating units	Calculated Yield	GST Exclusive
	42	$19,562	$17,010

Nelson's Creek

A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land situated in the Nelson Creek Separate Rating Area and calculated on the land area of each rating unit for the maintenance of the protection works in the scheme.

Nelson's Creek	Estimated Rateable Land Area (ha)	Differential Based on Benefits	Calculated Yield	GST Exclusive
Class A	1.14	8.40%	$1,893	$1,646
Class B	2.90	13.21%	$2,977	$2,589
Class C	10.76	9.99%	$2,251	$1,958
Class D	10.30	9.15%	$2,062	$1,793
Class E	18.55	13.04%	$2,939	$2,555
Class F	63.33	28.14%	$6,342	$5,515
Class G	18.10	8.89%	$2,003	$1,742
Class H	20.03	9.18%	$2,069	$1,799
			$22,536	$19,597

Neil's Beach

A targeted rate set in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on properties included in the Neil's Beach separate rating area calculated on the capital value of each rating unit, for management of the protection works in the scheme.

Neil's Beach	Estimated Rateable Capital Value	Calculated Yield	GST Exclusive
	$22,304,000	$6,601	$5,740

Okuru

A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Okuru separate rating area, calculated on the capital value of each rating unit for the maintenance of protection works in the scheme.

Okuru	Estimated Rateable Capital Value	Calculated Yield	GST Exclusive
	$24,429,000	$10,351	$9,001

Punakaiki

A targeted rate set in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land located between the boundaries of the Pororai River, State Highway 6 and the Tasman Sea at Punakaiki calculated on the capital value of each rating unit for maintenance of the sea wall protection works.

Punakaiki (Maintenance)	Estimated Rateable Capital Value	Calculated Yield	GST Exclusive
	$23,757,000	$115,590	$100,513

A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land located between the boundaries of the Pororai River, State Highway 6 and the Tasman Sea at Punakaiki calculated on the capital value of each rating unit for repayment of loans raised to fund capital works.

Punakaiki (Loan)	Estimated Rateable Capital Value	Differential Based on Benefits	Calculated Yield	GST Exclusive
Class A (Camping Ground)	$1,040,000	1.00	$22,325	$19,413
Class A (Other)	$7,370,000	1.00	$4,896	$4,257
Class B	$3,970,000	0.65	$1,714	$1,491
Class C	$3,155,000	0.60	$1,258	$1,094
Class D	$8,495,000	0.30	$1,693	$1,472
			$31,886	$27,727

Rapahoe

A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Rapahoe separate rating area, calculated as a fixed charge per rating unit.

Rapahoe (loan)	Estimated number of rating units	Calculated Yield	GST Exclusive
	39	$1,248	$1,085

Redjacks

A targeted rate set differentially in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Redjacks separate rating area, calculated on the land area of each rating unit for the maintenance of protection works in the scheme.

Redjacks	Estimated Rateable Land Area (ha)	Differential Based on Benefits	Calculated Yield	GST Exclusive
Class A	0.10	6.73%	$619	$538
Class B	1.06	35.55%	$3,266	$2,840
Class C	0.11	3.56%	$328	$285
Class D	2.27	17.54%	$1,614	$1,403
Class E	1.48	14.23%	$1,309	$1,138
Class F	1.84	4.73%	$435	$378
Class G	21.96	7.40%	$681	$592
Class H	49.16	8.60%	$791	$688
Class I	76.98	1.71%	$157	$137
			$9,200	$8,000

Taramakau Settlement

A targeted rate set differentially in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Taramakau Settlement separate rating area, calculated on the land area of each rating unit for the maintenance of protection works in the scheme.

Taramakau Settlement	Estimated Rateable Land Area (ha)	Differential Based on Benefits	Calculated Yield	GST Exclusive
Class A	306.25	33.16%	$47,481	$41,287
Class B	130.00	11.54%	$16,524	$14,368
Class C	111.98	6.83%	$9,780	$8,504
Class D	127.12	6.54%	$9,364	$8,143
Class E	191.46	8.63%	$12,357	$10,745
Class F	140.28	5.89%	$8,434	$7,334
Class G	392.73	13.40%	$19,187	$16,684
Class H	429.48	13.77%	$19,717	$17,145
Class I	48.66	0.24%	$344	$299
			$143,186	$124,510

Vine Creek

A targeted rate set differentially in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Vine Creek separate rating area, calculated on the land value of each rating unit for the maintenance of protection works in the scheme.

Vine Creek	Estimated Rateable Land Value	Differential Based on Benefits	Calculated Yield	GST Exclusive
Class A	$3,401,900	1.00	$20,275	$17,630
Class B	$4,071,100	0.70	$16,984	$14,769
Class C	$5,335,000	0.50	$15,898	$13,824
Class D	$13,949,100	0.20	$16,627	$14,458
Class E	$12,571,200	0.10	$7,492	$6,515
			$77,276	$67,196

Waitangitaona

A targeted rate set differentially in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Waitangitaona separate rating area, calculated on the land area of each rating unit for the maintenance of protection works in the scheme.

Waitangitaona Settlement	Estimated Rateable Land Area (ha)	Differential Based on Benefits	Calculated Yield	GST Exclusive
Class A	604.26	25.80%	$8,900	$7,739
Class B	721.40	23.48%	$8,101	$7,044
Class C	1,690.41	46.84%	$16,159	$14,051
Class D	708.18	3.88%	$1,340	$1,165
	3724.25	1	$34,500	$30,000

Wanganui River

A targeted rate set differentially in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Wanganui River separate rating area, calculated on the land value of each rating unit for the maintenance of protection works in the scheme.

Wanganui River (Maintenance)	Estimated Rateable Land Value	Differential Based on Benefits	Calculated Yield	GST Exclusive
Class A	$20,656,800	1.00	$123,330	$107,243
Class B	$17,233,900	0.70	$72,025	$62,631
Class C	$25,695,200	0.45	$69,035	$60,030
Class D	$4,485,800	0.10	$2,678	$2,329
Class U1	$5,248,200	0.50	$15,667	$13,623
Class U2	$1,596,200	0.50	$4,765	$4,143
			$287,500	$250,000

Whataroa

A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on properties included in the Whataroa River separate rating area calculated on the capital value of each rating unit, for maintenance of protection works in the scheme.

Whataroa River	Estimated Rateable Capital Value	Differential Based on Benefits	Calculated Yield	GST Exclusive
Area A	$7,922,000	1.00	$26,862	$23,358
Area B	$11,887,000	0.40	$16,123	$14,020
Area C	$30,812,000	0.20	$20,896	$18,170
			$63,880	$55,548

Westport

A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Westport separate rating area, calculated on the capital value of each rating unit for the repayment of a loan raised to fund capital works within the scheme.

Westport Loan	Estimated Rateable Capital Value	Calculated Yield	GST Exclusive
	1,238,093,110	$401,064	$348,751

A Targeted Rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on all rateable land in the Westport separate rating area, calculated on the capital value of each rating unit for the maintenance of protection works within the scheme.

Westport Maintenance	Estimated Rateable Capital Value	Calculated Yield	GST Exclusive
	$1,238,093,110	$39,317	$34,189

TOTAL RATES	$17,698,374	$15,389,890

Estimated rating impact on some typical properties

	Westport Dwelling	Buller District Farm
Capital Value	**$500,000**	**$3,000,000**
General Rate	$350	$2,100
Emergency Management Rate	$87	$525
Te Tai o Poutine Plan (Combined District Plan)	$34	$205
Uniform Annual General Charge	$201	$201
Westport Maintenance	$16	$95
Westport Loan	$163	$973
Total	**$851**	**$4,099**

	Greymouth Dwelling	Grey District Farm Property
Capital Value	**$500,000**	**$3,000,000**
General Rate	$344	$2,063
Emergency Management Rate	$87	$524
Te Tai o Poutine Plan (Combined District Plan)	$34	$205
Uniform Annual General Charge	$201	$201
Greymouth Maintenance	$67	$399
Greymouth Loan	$90	$539
Total	**$823**	**$3,392**

	Hokitika Dwelling	Westland District Farm Property
Capital Value	**$500,000**	**$3,000,000**
General Rate	$313	$1,877
Emergency Management Rate	$87	$524
Te Tai o Poutine Plan (Combined District Plan)	$34	$205
Uniform Annual General Charge	$201	$201
Hokitika Maintenance	$69	$411
Hokitika Loan	$96	$572
Total	**$800**	**$3,790**

	Franz Josef Dwelling
Capital Value	**$500,000**
General Rate	$313
Emergency Management Rate	$87
Te Tai o Poutine Plan (Combined District Plan)	$34
Uniform Annual General Charge	$201
Franz Josef Maintenance A	$417
Franz Josef Loan A	$656
Total	**$1,708**

Council's Engineer, checking work at Cats Creek, Westport

Reserves

Reserve funds are utilised to provide a fund for expenditure on specific purposes. In some circumstances the reserves are a legal requirement. The Council holds the following reserves:

Rating district reserves (river, drainage, and coastal protection schemes)

Purpose

These reserves reflect the unspent balances of the targeted rates struck to fund the river, drainage, and coastal protection schemes. Activities the Reserve Funds relate to:

- Infrastructure group of activities

Investment growth reserve

Purpose

In 2003, Council established a separate Equity Reserve Fund called the "Investment Growth Reserve". The funds relating to this Reserve were originally from the 2000 Crown payment of $7,000,000 to this Council (Council share of the $120 million compensation payment to the West Coast following the cessation of native logging).

This Reserve Fund generates income, some of which is used to fund general Council activities. The reserve helps fund the following:

- Regional Leadership;
- Infrastructure and Resilience;
- Natural Environment;
- Policy and Regulation.

In May 2026 Council made the decision to support our region's resilience, by allocating $4 million from its investment fund toward natural hazard management, including coastal, flood, and drainage works. This includes $1 million for each of the Franz Josef, Hokitika, Greymouth Floodwall, and Westport rating districts. These funds will be overseen by the respective Joint Committees, with project proposals subject to Council approval.

Catastrophe fund reserve

Purpose

The Catastrophe Fund is intended to help fund any excess, any uninsurable costs, as well as provide cash flow at short notice. Activities the Reserve Fund relates to:

- Infrastructure and Resilience.

Local Government (Financial Reporting and Prudence) Regulations 2014

Annual Plan disclosure statement for the year ending 30 June 2027

The purpose of this statement is to disclose the council's planned financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The council is required to include this statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Benchmark		Planned	Met
Rates affordability benchmark:			
• income	no more than 50% of total income	27%	Yes
• increases	no more than 7.5%	7.5%	Yes
Debt affordability benchmark	175% debt to revenue ratio	105%	Yes
Balanced budget benchmark	100%	142%	Yes
Debt servicing benchmark	10%	4%	Yes

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