

ACTIVITY GROUP: REGULATORY

Activities in this Group

The activities for this group include:

- Resource Consents.
- Building Control.
- Compliance.
 - Environmental Health.
 - Environmental Protection.
- Land Memoranda.
- Animal Control.
- Harbours.

Rationale for the delivery of this Group of Activities

Council is charged with a number of statutory responsibilities administered on behalf of the Crown. As a Unitary Authority, Council is responsible for both regional and District functions. It has obligations, and powers under various Acts of Parliament, notably the Resource Management Act 1991, the Building Act 2004, the Sale of Liquor Act 1989, the Hazardous Substances and New Organisms Act 1996, the Health Act 1956, and the Local Government Act 2002. This group of activities comprises the formulation of policies and regulations that are consistent with the requirements of relevant legislation and appropriate to the particular circumstances of Marlborough, the issuing of consents and application of regulatory powers, and the monitoring of compliance with consents.

This activity group contributes to the following community outcomes: environmental sustainability, prosperity, energy efficiency, affordable housing, safety and security, healthy choices, fun and recreation.

Progress towards Community Outcomes

Overall progress towards the Community Outcomes is made in the longer term, and reflects the achievements of the whole community. The outcome of this was reported in the published 2009-19 LTCCP. This document is available on Council's website.

ACTIVITY: RESOURCE CONSENTS

Operating costs of this activity represents 3.8% of total activity expenditure.

Outcome	Related Community Outcomes
A high quality and equitable resource consent service that effectively manages Marlborough's built environment and natural resources in a way that best secures a sustainable level of development that meets the needs of the community.	Environmental sustainability, prosperity.

What is this activity about?

This Activity involves discharging Council's statutory obligations under the Resource Management Act 1991 (The Act). The Act sets out a range of powers, duties and functions and the statutory processes that must be followed when processing and determining applications for resource consent.

The Act's purpose is to promote sustainable management of natural and physical resources. This Activity is about the promotion of the sustainable management of natural and physical resources and the administration of the Marlborough Sounds and the Wairau/Awatere Resource Management Plans.

Specifically this Activity processes five different types of resource consents:

- Land Use Consents.
- Water Permits.
- Discharge Permits.
- Subdivision Consents.
- Coastal Permits.

The Activity provides information to potential applicants, interest groups and the general public on all resource management matters.

The Activity maintains and manages a consents database that is responsive to the needs and requirements of central government, applicants, submitters and the general public.

The Activity also manages objections and appeals to the Environment Court on resource consent decisions and conditions.

Activity Levels

The activity level of the group varies from year to year. There has been a general decline in numbers since the peak times. Within each year there are also daily, weekly and monthly fluctuations in the number and types of application received. As a result of the reduction in resource management applications shown in the table below, a number of employees have been made redundant in the resource consent area during the financial year 2010-11.

	2008	2009	2010	2011
Number of Consents	1,662	1,294	1,049	949

Levels of Service: Resource Consents

Performance Targets (for the financial year)					
Level of Service	Indicator	LTCCP Baseline	Target	2010-2011 Actual	Comments
Provide an overall level of service that meets or exceeds residents' expectations.	Resident satisfaction with this service as measured by survey, where 10 = "service delivered extremely well".	5.8	5.9	6.0	Achieved.
Provide a consent processing service that is timely and responsive to customer needs.	% of resource consent applications processed within statutory timeframes.	54.8%	65%	97%	Achieved.
Provide a consent processing service that is fair, consistent and cost effective.	% of complaints regarding fees charged for processing resource consent applications compared to total number of consents.	0.5%	<0.5%	None	Achieved.
	% of resource conditions upheld following appeal.	75%	>75%	86%	Achieved.
Education applicants on the RMA and the resource consent application and approval process.	% of incomplete applications rejected.	21.5%	18%	7.6%	Achieved.

Activity: Resource Consents	2010-11	2010-11	2009-10
Cost of Services	Actual	Budget	Actual
	\$000's	\$000's	\$000's
Operating costs	3,085	3,197	3,365
Funded by			
Rates	1,093	1,081	1,173
General Revenues Applied	136	136	153
Other revenue	1,399	1,980	1,519
Total revenue	2,628	3,197	2,845
Operating deficit - funded from reserves	457	-	520
	3,085	3,197	3,365
Capital expenditure	1	4	-
Funded by			
Depreciation reserve transfer	1	1	-
Other reserve transfers	-	3	-
	1	4	-

Note 1: Explanation of cost of service variance – Lower user charges have been recovered as a result of decreased numbers of resource consent applications (78% of previous year) and hearings (42% of previous year).

ACTIVITY: BUILDING CONTROL

Operating costs of this activity represents 2.9% of total activity expenditure.

Outcome	Related Community Outcome
Residents and visitors live and work in buildings that are healthy and safe.	Affordable housing and Energy efficiency.

What is this activity about?

This activity involves meeting Councils obligations under the Building Act 2004. This Act charges Council with several responsibilities which are set out in two separate categories. The categories are **Territorial Authority** responsibilities and **Building Consent Authority** responsibilities.

Territorial Authority responsibilities carried out by the Building Control Section include:

- Issuing building consents subject to waivers or modifications of the Building Code.
- Issuing certificates of acceptance.
- Issuing amended compliance schedules.
- Administering and enforcing the provisions of building warrants of fitness.
- The extent of compliance on change of use and specified intend life changes.
- Functions in relation to earthquake-prone, dangerous or insanitary buildings.
- Providing guidance and information to customers.
- Determining whether building work is exempt under the First Schedule to the Building Act 2004.
- Other functions and duties required by the Building Act 2004.
- Providing a copy of relevant applications to the New Zealand Historic Places Trust.
- The territorial authority must act as a building consent authority within its District.
- Keep building related records.
- Swimming pool fencing control.
- Providing technical support and regulatory functions in the event of civil emergency or disaster.
- Provision of public information and guidance documents.
- Education role for the Building Industry and public at large.
- Undertakes building evaluation in the event of emergencies.

Building Consent Authority responsibilities carried out by this section include:

- Granting and issuing building consents.
- Inspecting building work for which it has granted consent.
- Issuing notices to fix.
- Issuing compliance schedules.

The Marlborough District Council is required by regulation to have an accredited Building Consent Authority.

Other functions under separate legislation including:

- Monitoring swimming pool fencing under the Fencing of Swimming Pools Act 1987.
- Investigating building related complaints under the Local Government Act and the Building Act.
- Checking assembly of Amusement Devices.

The **most significant component** of this activity is to receive, process, grant, and issue Building Consent applications, followed by inspecting work for compliance and issuing a Code Compliance Certificate. The standard of compliance required is set out in the Building Regulations and in most cases it is compliance with the New Zealand Building Code.

Activity Levels

The activity level of the Group varies from year to year. The following table lists the numbers of Building Consents handled during the past few years.

	2008	2009	2010	2011
Total Building Consents	2,167	1,810	1,761	1310
Total New Dwellings	410	260	254	159
Value of all Building work	\$205,300,000	\$184,166,000	\$171,100,000	\$108,766,815

Response to Canterbury Earthquakes

The Canterbury earthquakes were a massive disaster which created the call for assistance from outside of the province. The Marlborough District Council Building Control team responded above the call of duty by attending the two major events very soon after they occurred. It then provided ongoing building evaluation support after both disasters for the Christchurch City Council and the Civil defence response group. Overall close on 700 man hours were committed to the Christchurch response.

The response began in September 2010 and continued almost without break until near the end of April 2011. Individuals in the team made huge personal sacrifices to help and those team members who were left to manage in Marlborough also faced increased work pressures due to staffing numbers being down during the times of response. A total of 11 team members attended one or both of the events.

Levels of Service: Building Control

Performance Targets (for the financial year)					
Level of Service	Indicator	LTCCP Baseline	Target	2010-2011 Actual	Comments
Provide an overall level of service that meets or exceeds residents' expectations.	% of respondents to customer surveys that rate the level of service as satisfactory or higher.	New measure	80%	95.87%	Achieved.
Provide a consent processing service that is timely and responsive to customer needs.	% of applications processed within 15 working days of receipt.	New measure	80%	89.74%	Achieved.
Provide a service that minimises risks to public safety.	% of swimming pools inspected annually.	15%	>15%	20.08%	Achieved.
	% of building warrants of fitness audited annually.	20%	20%	15.8%	Not achieved. New Officer did not record some inspections undertaken in our database when he first began. Now doing so. The officer was also asked to focus on updating Compliance Schedule as a first priority rather than inspections.
	% of building under construction inspected to ensure that Code Compliance is achieved.	100%	100%	100%	Achieved. All 4,849 requested inspections undertaken.

Activity: Building Control	2010-11	2010-11	2009-10
Cost of Services	Actual	Budget	Actual
	\$000's	\$000's	\$000's
Operating costs	2,380	2,520	2,590
Funded by			
Rates	354	351	406
General Revenues Applied	45	45	54
Other revenue	1,494	2,124	1,500
Total revenue	1,893	2,520	1,960
Operating deficit - funded from reserves	487	-	630
	2,380	2,520	2,590

Note 1: Explanation of cost of service variance – Lower user charges have been recovered as a result of lower numbers of building consent applications (76% of previous year) and inspections (72% of previous year).

ACTIVITY: ENVIRONMENTAL HEALTH	
Operating costs of this activity represents less than 1% of total activity expenditure.	
Outcome	Related Community Outcomes
To ensure residents of Marlborough and visitors to the District have confidence that they live and stay in an environment that is safe.	Health choices.

What is this activity about?

The activity involves the protection of public health through:

- the registration and inspection of premises that prepare or sell food;
- the investigation of complaints about consumed foods, including the manner of its preparation and the state of premises used for food preparation;
- the educating of residents about food safety through direct contact and provision of written information material.

The activity also involves providing reports for the purposes of the Sale of Liquor Act 1989 and licensing and monitoring for compliance with licence conditions of that Act. It also provides reports for the purposes of the Gambling Act 2003.

Further, the activity involves investigation of nuisance complaints concerning noise, smoke, odours, pest control and hazardous substances.

To ensure consistency and quality of food inspections undertaken by Council Environmental Health Officers (EHO) the following is undertaken:

- Processes and the application of standards are agreed internally and issues arising are discussed.
- Meetings with other top-of-the-south local authority EHOs.
- No officer has a particular area (ie; the inspector is not always the same for the same premises).
- Continuous personal skill development – all of Council's EHOs are fully Qualified Food Control Planned Auditors under the Food Act 1981.

With the abovementioned factors this ensures the quality of inspections of food premises in Marlborough is high and consistent.

Levels of Service: Environmental Health					
Performance Targets (for the financial year)					
Level of Service	Indicator	LTCCP Baseline	Target	2010-2011 Actual	Comments
To approve and monitor food safety generally encourage operators of food premises through education and enforcement to take responsibility for providing safe and suitable food.	% of registered food premises inspected at least once per annum.	100%	100%	100%	Achieved.
	% of other registered premises inspected at least once per annum.	100%	100%	100%	Achieved.
	Number of random inspections made of all markets with 10 food stalls or more.	6	6	6	Achieved.
	Number of inspections of annual events having more than 10 food stalls.	6	6	6	Achieved.
Encourage operators of registered premises to take responsibility for providing a safe environment.	% of environmental health complaints of a critical nature responded to within one working day.	100%	100%	100%	Achieved. No complaints of a critical nature were received.
	Number of food complaints relating to Council inspected premises.	≤38	≤32	16	Achieved.
Encourage operators of licensed premises to establish a reasonable system of control over the sale and supply of liquor to the public with the aim of contributing to the reduction of liquor abuse.	% of liquor licensing applications processed within statutory timeframes.	100%	100%	100%	Achieved.
Proactively monitor and investigate environmental conditions that may directly or indirectly affect public health with particular emphasis on statutory nuisances, bylaw, air quality and noise complaints.	% of incidents that potentially threaten public health that are responded to and investigated within seven working days of notification.	100%	100%	98.4%	Not achieved. 129 complaints were received. Two were outside the time frame established.

Cost of services – refer to page 85.

ACTIVITY: ENVIRONMENTAL PROTECTION	
Operating costs of this activity represents 1% of total activity expenditure.	
Outcome	Related Community Outcomes
Ensuring statutory compliance with the Resource Management Act 1991 and/or Resource Management Plans.	Environmental sustainability, Health choices.

What is this activity about?

The activity involves ensuring compliance with the Resource Management Act 1991 and/or Council's Resource Management Plans. This involves investigating complaints or reports of alleged breaches, follow up, finding resolutions to issues, issuing infringement notices or instigating prosecution processes through the judicial system.

The activity also involves finding non-regulatory solutions that both address the matter at issue and improving public understanding of the aims of the Resource Management Act 1991 with ongoing education of the public in sustainable resource use.

Levels of Service: Environmental Protection					
Performance Targets (for the financial year)					
Level of Service	Indicator	LTCCP Baseline	Target	2010-2011 Actual	Comments
Provide an overall level of service that meets or exceeds residents' expectations.	Resident satisfaction with this service as measured by survey, where 10 = "service delivered extremely well".	5.8	5.9	6.7	Achieved.
Monitor resource consents to ensure the consent holder is in compliance.	% of resource consents monitored for compliance within two years of issue.	New measure	55%	24%	Not achieved. The lapse period on consents has gone from two to five years due to legislation changes. As a result it was decided to adopt a more risk focus approach. Between the 2009-11 years Council has monitored 2,080 consents, 504 of these were within the two year period. The monitoring undertaken was in the following areas :
	% of resource consent non-compliance has follow up action taken.	100%.	100%	99.8%	Not achieved. 504 monitored, one no action recorded.

Proactively monitor and investigate alleged breaches of the Resource Management Act 1991, Resource Management Plans and Consents.	% of complaints responded to within seven working days.	New measure	95%	95%	Achieved.
	% of complaints, either resolved or had a resolution strategy, developed within 90 days of receipt.	New measure	95%	99.3%	Achieved.
Effective enforcement action undertaken on breaches under the Resource Management Act 1991.	% of abatement and infringement notices upheld on appeal.	100%	95%	100%	Achieved.

Cost of services – refer to page 85.

ACTIVITY: LAND MEMORANDA

Operating costs of this activity represents less than 1% of total activity expenditure.

Outcome	Related Community Outcomes
Information provided on request and to the extent required by the relevant statutes and/or regulations.	Essential services.

What is this activity about?

The Land Information Memorandum involves the timely, accurate and complete supply of information Council either holds, or has been statutorily advised of, by means of a LIM. Council is required to hold Land Information Memoranda pursuant to Section 44A of the Local Government Information and Meetings Act 1987. This activity used to also include Project Information Memoranda (PIM).

Reason for Changes

The Act is now more flexible, accounting for different types of scale of building projects, particularly where PIM information will not add much value to the process. It also provides owners with the ability to decide whether they believed they would benefit from a PIM or not. As a result, only a minority of PIM applications were made separately before a building consent application.

Where PIMs are not applied for, Council still has to obtain a reduced amount of information relevant to building consent applications. This is now part of the building consent process.

Levels of Service: Land Memoranda

Performance Targets (for the financial year)

Level of Service	Indicator	LTCCP Baseline	Target	2010-2011 Actual	Comments
Provision of Land Information Memoranda	Resident satisfaction with this service as measured by survey, where 10 = "service delivered extremely well".	6.9	6.9	See comment	The small scale of this activity has lessened the need to separately measure resident satisfaction. This service was not included in the survey.
	Percentage of Land Information Memoranda requests processed within statutory timeframes.	100%	100%	100%	Achieved. As identified by a LIMS property report all LIMS completed within 10 days.
	Number of liability claims made because of incomplete or inaccurate information supplied.	1	<3	0	Achieved. No liability claims have been made for the 2010-11 year.

Activity: Compliance	2010-11	2010-11	2009-10
	Actual	Budget	Actual
Cost of Services	\$000's	\$000's	\$000's
Operating costs			
Environmental Health	336	359	318
Environmental Protection	835	721	861
Project and Land Memoranda	162	124	537
Total operating costs	1,333	1,204	1,716
Funded by			
Rates	770	761	879
General Revenues Applied	95	96	114
Other revenue	405	347	584
Total revenue	1,270	1,204	1,577
Operating deficit - funded from reserves	63	-	139
	1,333	1,204	1,716
Capital expenditure			
Environmental Protection	-	4	-
Environmental Health	-	-	1
Total capital expenditure	-	4	1
Funded by			
Depreciation reserve transfer	-	4	-
Other reserve transfers	-	-	1
	-	4	1

Note 1: Explanation of cost of service variance – Additional expenditure in Environmental Protection is due to frost fan tower relocation and retro fitting three fans as part of a pilot project (\$39,000) plus increases in personnel numbers.

Note 2: Significant Capital Expenditure and variances – There has been no significant expenditure or variances.

ACTIVITY: ANIMAL CONTROL

Operating costs of this activity represents less than 1% of all the activity expenditure.

Outcome	Related Community Outcomes
Ensuring Council fulfils the obligations that are imposed on it or the public by the provisions of the Dog Control Act 1996, and Bylaws.	Safety and security.

What is this activity about?

The activity involves Dog Control and the Control of Animals (excluding dogs) on public land and public roads. This service is provided under contract by Maataa Waka.

Levels of Service: Animal Control

Performance Targets (for the financial year)

Level of Service	Indicator	LTCCP Baseline	Target	2010-2011 Actual	Comments
Provide an overall level of service that meets or exceeds resident's expectations.	Resident's satisfaction with this service as measured by survey, where 10 = "service delivered extremely well".	7.5	7.5	7.2	Not achieved. There has been a small improvement over the previous year (2010: 7.0). Overall positive comments significantly outweighed the negative, including in the area where most negative responses were recorded ie: dog control.

To provide an effective dog control service including registration is in accordance with the Dog Control Act 1996.	% of compliance with the conditions of animal control contract 2008/54.	New measure	100%	100%	Achieved.
	% of complaints regarding dog attacks, rushes and lost and found investigated within 24 hours of receipt.	New measure	100%	99.7%	Not achieved. 1219 complaints received. Three were outside timeframes.
To provide an effective education programme on dog safety and responsible dog ownership.	Number of presentations undertaken to primary age groups of children.	30	30	31	Achieved.
To provide an effective service for dealing with wandering livestock on public land and roads.	% of complaints regarding wandering livestock investigated within 24 hours.	New measure	100%	100%	Achieved.

Activity: Animal Control	2010-11	2010-11	2009-10
Cost of Services	Actual	Budget	Actual
	\$000's	\$000's	\$000's
Operating costs			
Dog Control	563	593	570
Other Animal Control	54	54	56
Total operating costs	617	647	626
Funded by			
Rates	42	41	49
General Revenues Applied	5	5	7
Other revenue	570	578	536
Total revenue	616	624	592
Operating deficit - funded from reserves	-	23	34
	616	647	626

Note 1: Explanation of cost of service variance – There are no significant variances.

ACTIVITY: HARBOURS	
Operating costs of this activity represents 1.1% of all the activity expenditure.	
Outcome	Related Community Outcome
Proactively manage the safe and sustained use of the maritime areas of Marlborough so that it can continue to provide physical, spiritual, economic and environmental benefits to its current and future stakeholders.	Environmental sustainability, Safety and security, Fun and recreation.

What is this activity about?

This activity involves ensuring safety in Marlborough's extensive marine waterways. The Marlborough Sounds comprises approximately 1,500 kilometres of coastline (which is 18% of New Zealand's entire coastline) and 4,136 square kilometres of water area. The Sounds is used extensively for recreational purposes, commercial shipping, fishing and other aquaculture industries.

The purpose of the Harbours Department is to ensure that the Council's statutory functions, duties and powers as a Harbour Authority are discharged in an accountable way and, where appropriate, educate the users of the Sounds

waterways so that non-compliance with statutes and bylaws and, potentially, enforcement action through legal processes are minimised.

The Group also performs pollution response functions and duties as set out in the Maritime Transport Act 1994 and associated maritime rules.

More generally, the purpose of the Harbours Department is:

- To provide a 24/7 service with after-hours cover being provided on a rostered system.
- To provide the infrastructure and systems that allows all users to travel safely within the region. This includes the provision of all regional Aids to Navigation, maritime information and Vessel Traffic Services.
- To monitor and manage compliance using statutes, bylaws and regulations that directly affects the Marlborough Sounds.
- To manage emergencies and risks that threaten people, the environment, property or economic benefits from the coastal regions of Marlborough.
- To protect Marlborough's coastal environment for this and future generations from pollution through the ability to respond to and deal with oil spills or other environmental risks.
- To educate maritime users in particular, and the whole community in general, on the safe and sustained use of Marlborough's marine environment.
- To provide support to Council on decision and policy provisions related to the region's marine environment.
- To assist Central Government agencies and other Council departments in meeting their responsibilities within Marlborough's marine area.
- To promote the public image of the Council in the management of its marine responsibilities.

Activity Level

The following provides a brief statistical overview of some of the typical Harbours Department matters:

Recreational Vessels

Currently there are 1,158 berths in the Port Marlborough marinas of which approximately 1,050 are occupied. In addition, there are in excess of 3,000 moorings in the Sounds and it is estimated that around 1,500 are occupied on a continuous basis. Further, during the summer season, it is estimated that up to 10,000 additional recreational craft make use of the Sounds.

Commercial Vessels

During the 2010 year:

- There were 120 movements of passenger and log ships within the Sounds, the majority of these calling at Picton. A movement is defined as a transit inwards or outwards.
- 6,945 ferry movements. Based on these statistics alone, it is seen that the area is a busy harbour, only Wellington is busier.
- A total of 66 days of harbour patrols were undertaken.
- A total of 201 events were recorded in the Harbours Incident database.

Oil Spill Response

Specialist oil spill response equipment is on permanent loan to the District from the national stock-pile held by Maritime NZ. As part of the loan agreement, the Harbours Department staff are responsible for the ongoing maintenance required to maintain the equipment in an immediate state of readiness.

LEVELS OF SERVICE: HARBOURS					
Performance Targets (for the financial year)					
Level of Service	Indicator	LTCCP Baseline	Target	2010-2011 Actual	Comments
Effective public education to provide a safe environment for all users.	% of planned public education campaigns delivered per annum including having the annual review of a	New measure	95%	100%	Achieved. Safe Sounds Boating brochure reviewed and printed in preparation for distribution by

	Safe Sounds Boating brochure ready for distribution by Labour week-end.				Labour weekend. A total of 6,500 distributed. Additional safety information provided by other organisations also distributed. Participation in 'Safe Kids' campaign week.
	Number of weekends in period commencing at Labour Weekend through to end of Easter of the following year where patrols undertaken.	New measure	>20	13	Not achieved. A number of patrols were cancelled due to: <ul style="list-style-type: none"> • Poor weather conditions. • Non-availability of patrol crew.
	Number of daily ²⁰ patrols undertaken from mid-December through to end of January of the following year targeting known 'hot-spots' ²¹ .	40	40	38	Not achieved. A number of patrols were cancelled due to poor weather conditions.
	% of navigation warnings issued within two hours of a reported event that may impact on navigation safety.	100%	100%	100%	Achieved. A total of 83 navigation warnings were issued for the 2010-11 year.
	Development and or review of the Harbour Safety Plan.	Yearly	Yearly	See comment	Not achieved. Awaiting appropriate funding streams.
	% of funded mitigation measures completed.	New measure	80%	83%	Achieved. Funding was provided for measures relating to aids to navigation and in the Harbour control area. Overall, the majority of these measures have been completed with three measures well underway.
High degree of compliance with statutes, bylaws and regulations that directly affects Marlborough's coastal region and its users.	Number of random light inspections of marine farms undertaken.	203	>200	52	Not achieved. Insufficient resourcing both personnel and budgetary.
	% of accident and incident investigation, as appropriate, commenced within five working days.	100%	100%	100%	Achieved. 319 Incidents recorded in the Incident Data base which required follow-up action.

²⁰ Daily means every day with the exception of Christmas day and New Year's day – usually eight hour patrols, commencing at variable times.

²¹ 'Hot spots' is an area where compliance with Bylaw requirements is known to be an issue and with a greater Harbour Patrol presence generally results in better on-water behaviour. Where possible, the patrol will try to visit 'hot spots' on a daily basis mainly because they are generally within the inner Sounds, close to Picton. However, patrols are not only limited to the inner Sounds area and when patrolling the outer Sounds, daily visits are obviously not possible.

Navigation aids, swimming and water-ski lanes maintained effectively.	% of time aids to navigation are working.	97%	>97%	>97%	Achieved.
	% of pre summer season inspections of swimming and water-ski lanes undertaken.	100%	100%	100%	Achieved. All water-ski lanes were visited prior to commencement of the summer season.
	Number of further inspections of swimming and water-ski lanes undertaken during the summer season.	>2 of each	>2 of each	3	Achieved. Lanes were visited during the season on at least three other occasions.

Activity: Harbour Control	2010-11	2010-11	2009-10
Cost of Services	Actual	Budget	Actual
	\$000's	\$000's	\$000's
Operating costs	877	853	911
Funded by			
Rates	598	593	314
General Revenues Applied	76	76	42
Other revenue	195	184	206
Total revenue	869	853	562
Operating deficit - funded from reserves	8	-	349
	877	853	911
Capital expenditure	70	64	130
Funded by			
Depreciation reserve transfer	68	64	38
Other reserve transfers	2	-	92
	70	64	130

Note 1: Explanation of cost of service variance – There are no significant variances.

Note 2: Significant Capital Expenditure and variances – There has been no significant expenditure or variances.

ACTIVITY GROUP: REGIONAL DEVELOPMENT

Activities in this Group

The activities in this group include:

- Regional Development.
- Marketing and Tourism.
- Events Management.
- Research Centre.

Rationale for the delivery of this Group of Activities

All Councils within New Zealand are seeking to grow the economic activity within the boundaries. To promote Marlborough to investors and visitors, Council must also play an active role.

This activity group contributes to the community outcomes of prosperity, full participation, environmental sustainability and enterprise and endeavour.

Progress towards Community Outcomes

Overall progress towards the Community Outcomes is made in the longer term, and reflects the achievements of the whole community. The outcome of this was reported in the published 2009-19 LTCCP. This document is available on Council's website.

Identified effects on community well being

Marlborough's social, economic, cultural and environmental wellbeing have all been assisted by the various activities undertaken by the Marlborough Regional Development Trust, Destination Marlborough, the Marlborough Festival and Events Trust, and the Marlborough Research Centre. Economic indicators, and community feedback, reflect positive movements in all these dimensions.

ACTIVITY: REGIONAL DEVELOPMENT

Operating costs of this activity represents less than 1% of total activity expenditure.

Outcome	Related Community Outcomes
Improved quality of life for all residents.	Prosperity. Enterprise and endeavour.

What is this activity about?

Council's decisions and actions can significantly assist the development of the regional economy by encouraging local business initiatives and innovation, attracting new investments, and by presenting Marlborough as a competitive tourist destination. As a provider of infrastructure, as a regulator of many business activities, Council is both a facilitator and encourager of development in the region. For the bulk of this activity Council is primarily a purchaser of regional development services.

How this Activity Contributes to Related Community Outcomes

This activity is aimed at developing the regional economy to achieve long term economic growth to the benefit of the Marlborough community. It is about identifying where the direction of growth needs to be, how we will get there and what needs to be done. The activity is delivered by a range of public sector partners, including the Council as the lead regional economic development agency, in support of the private sector and also involves making investments in the right area. It is important to recognise that regional development is not just supporting businesses, but also about ensuring our community and workforce have the health, skills and knowledge to play their part in the development of Marlborough's economy. In 2010-11, Council undertook a number of specific interventions to assist our key sectors in developing new markets, including:

- Assisting a group of local wine producers to enter the US market (Projects Braveheart).
- Assisting King Salmon to expand its Sounds operation.
- Broadband working with Chorus on national initiative to provide fibre to households in Blenheim.
- Top of the South Island Aviation cluster.

Levels of Service: Regional Development					
Performance Targets (for the financial year)					
Level of Service	Indicator	LTCCP Baseline	Target	2010-2011 Actual	Comments
Provide an overall level of customer satisfaction that meets or exceeds residents' expectations of this activity.	Resident satisfaction with this service as measured by survey, where 10 = "service delivered extremely well".	6.1	6.2	6.4	Achieved.
Co-ordinate effective economic development delivery.	Marlborough's GDP growth rate ranking amongst Local Authorities. (BERL)	In 2007 Marlborough's GDP growth rate was 42 out of 72 Local Authorities.	<36	64	Not achieved. The BERL report indicated that Marlborough had a very low GDP growth rate in 2010 which may have been due to the significant downturn in the wine industry.
	Unemployment rates compare to the national rate.	Unemployment rate as at March 2008 was 3.7% (NZ 4.1%)	Unemployment rate is equal to or less than the national rate.	4.2%	Achieved. The Marlborough /Tasman/Nelson/West Coast unemployment rate was 4.2% in March 2011 (6.6% NZ average.)

Cost of services - refer to page 94.

ACTIVITY: MARKETING AND TOURISM	
Operating costs of this activity represents less than 1% of total activity expenditure.	
Outcome	Related Community Outcomes
Marlborough is a preferred place for New Zealanders and people from overseas to visit, enjoy and experience.	Prosperity. Enterprise and endeavour.

What is this activity about?

This activity is about marketing and promoting Marlborough as a desirable visitor destination to both international and domestic travellers. The objective is to not only increase visitor numbers, but also increase the time they spend in the District and the amount spent.

This activity is delivered by Destination Marlborough, a charitable trust. Destination Marlborough was established for the purposes of promoting and marketing Marlborough as a visitor destination to national and international tourists.

Destination Marlborough is the Regional Tourism Organisation for the Marlborough District. It is one of 30 Regional Tourism Organisations throughout New Zealand recognised by Regional Tourism Organisations NZ. The role of Destination Marlborough is to market and develop the Marlborough region as a visitor destination, providing a quality experience to visitors, achieving economic and social benefits for suppliers, businesses and the community and ensuring the integrity of the region's environment is maintained.

Destination Marlborough also operates the Picton and Blenheim i-SITE Visitor Centres which are part of New Zealand's national i-SITE Visitor Information Network.

Currently approximately 1.5 M travellers (75% domestic, 25% international) visit the District per year spending in excess of \$200 M while they are here. International visitor numbers are projected to grow over 20% in the next six years while domestic visitors are projected to fall by just under 2%. A particular focus is made on stimulating travel in the shoulder seasons and winters.

Levels of Service: Marketing and Tourism					
Performance Targets (for the financial year)					
Level of Service	Indicator	LTCCP Baseline	Target	2010-2011 Actual	Comments
Provide an overall level of customer satisfaction that meets or exceeds residents' expectations of this activity.	Resident satisfaction with this service as measured by survey, where 10 = "service delivered extremely well".	6.8	6.8	7.5	Achieved.
Manage third party providers to ensure service quality and value.	Achievement of Reporting requirements.	Reporting requirements met.	Reporting requirements are met.	100%	Achieved. Reported to Council on 22 November 2010.
Effective promotion of Marlborough as a destination.	% change in visitor nights in Marlborough compared to national trends.	Guest nights for the year ended March 2008 increased by 12.2% (NZ 6.9%)	% change in visitor nights equal or better than national trends.	-1.5%	Not achieved. Total guest nights in commercial accommodation decreased 3.1% from previous year compared to a national decrease of 1.6%. However, international guest nights performed above national average by 0.9% ²² . The extreme global financial circumstances and natural disasters New Zealand has faced may have affected the visitor flows to our region.

Cost of services - refer to page 94.

ACTIVITY: EVENTS MANAGEMENT	
Operating costs of this activity represents less than 1% of total activity expenditure.	
Outcome	Related Community Outcomes
Marlborough is highly regarded nationally and internationally for the quality of its events and conference facilities.	Prosperity, Full participation.

²² Source: Statistics NZ Commercial Accommodation Monitor June 2011.

What is this activity about?

This activity is delivered by the Marlborough Festival and Events Trust, a charitable Trust and Go Marlborough under contract for provision of specific events.

As well as making a substantial contribution to physical activity, cultural identity, and social cohesion, events have a significant role to play in attracting visitors to Marlborough, showcasing our products, and promoting the Marlborough brand.

Levels of Service: Events Management					
Performance Targets (for the financial year)					
Level of Service	Indicator	LTCCP Baseline	Target	2010-2011 Actual	Comments
Provide an overall level of customer satisfaction that meets or exceeds residents' expectations of this activity.	Resident satisfaction with this service as measured by survey, where 10 = "service delivered extremely well".	7.3	7.3	7.6	Achieved. Respondents continue to show a high level of satisfaction with provision of events.
Manage third party providers to ensure service quality and value.	Achievement of reporting requirements	Reporting requirements met.	Reporting requirements are met.	Reporting requirements met.	Achieved. Annual report provided to Council meeting on 30 August 2010.
	Participation numbers at Blenheim Christmas Parade and the Christmas eve celebration.	>5,000	>5,000	>5,000	Achieved. ²³

Cost of services - refer to page 94.

ACTIVITY: RESEARCH CENTRE	
Operating costs of this activity represents less than 1% of total activity expenditure.	
Outcome	Related Community Outcomes
Marlborough's primary industries have access to world class research and advisory services that add value to their productivity and competitiveness.	Prosperity, Environmental Sustainability and Enterprise and endeavour.

What is this activity about?

This activity is delivered by the Marlborough Research Centre Trust, and provides support for public good research, regional prosperity, and environmental sustainability in support of Marlborough's primary industries.

The Marlborough Wine Research Centre is owned and managed by the Marlborough Research Centre Trust. The Trust was set up in 1984 to ensure the Marlborough region makes the best use of its natural resources, by assisting innovative research and technical development in agricultural, pastoral, horticultural and viticultural matters.

²³ Numbers attending the Christmas parade and festival continue to be high reflecting the strong community support for this event. Note: no Christmas Eve celebrations are organised.

Council contracted a provider to deliver New Years Eve concerts in Blenheim and Picton in response to community demand – these were well supported with positive feedback.

Levels of Service: Research Centre					
Performance Targets (for the financial year)					
Level of Service	Indicator	LTCCP Baseline	Target	2010-2011 Actual	Comments
Provide an overall level of customer satisfaction that meets or exceeds residents' expectations of this activity.	Resident satisfaction with this service as measured by survey, where 10 = "service delivered extremely well".	6.9	7.0	7.0	Achieved.
Manage third party providers to ensure service quality and value.	Achievement of reporting requirements.	Reporting requirements met.	Reporting requirements are met.	Reporting requirements met.	Achieved. Reported to Council on 22 November 2010.
	Number of published research papers.	23	>20	72	Achieved. 72 published research papers and 20 workshops presentations. (Source: Marlborough Research Centre Trust).

Activity: Regional Development Cost of Services	2010-11	2010-11	2009-10
	Actual	Budget	Actual
	\$000's	\$000's	\$000's
Operating costs			
Events and Conferences	167	163	169
Marketing and Tourism	673	694	466
Regional Development	299	224	144
Research Centre	136	136	136
Total operating costs	1,275	1,217	915
Funded by			
Rates	1,047	1,030	807
General Revenues Applied	110	110	85
Other revenue	41	-	-
Total revenue	1,198	1,140	892
Operating deficit - funded from reserves	77	77	23
	1,275	1,217	915
Capital expenditure			
Marketing and Tourism	1,276	1,680	66
Debt repayment	16	23	-
	1,292	1,703	66
Funded by			
Other reserve transfers	57	23	11
New loans	1,235	1,680	55
	1,292	1,703	66

Note 1: Explanation of cost of service variance – Regional Development costs include the USA wine project which will be offset by other revenue funding.

Note 2: Significant Capital Expenditure and variance – In Marketing and Tourism is the building of the new Blenheim i-SITE, the variance is due to the later stages of construction being carried forward to 2011-12.

Note 3: All debt and associated repayments relate to internal borrowings.