



MARLBOROUGH DISTRICT COUNCIL ANNUAL REPORT

2010-2011





Mission Statement

Enabling social and economic development in balance with environmental and community needs.

Picture: Kayaking in the Marlborough Sounds

Front Cover:

- *Looking down McLauchlan Street, Blenheim*
- *New i-SITE building, Blenheim*
- *Sawcut Gorge, Marlborough*
- *New carparking building, Blenheim*
- *Marlborough District Council building, Blenheim*
- *Queen Charlotte Sound. Picton*

Role of the Annual Report

This Annual Report has been prepared to enable readers to assess the performance of the Marlborough District Council for 2010-11 against the policies, activities, objectives, performance targets and financial details for the 2010-11 year contained in the Council's 2010-11 Annual Plan.

An Annual Report is required by Section 98 of the Local Government Act 2002. Financial and non-financial information is required to be included for each activity.

If any member of the public wishes to discuss any aspect of this report a Council officer will be more than pleased to meet with you. In the first instance please telephone Judith North, Support Services Administrator on (03) 520 7400.

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Picture: Grovetown Lagoon, Blenheim

INTRODUCTION

MDC Directory

Mayor's Report

Achievements 2010-11

Chief Executive's Report

MDC DIRECTORY

CONTACT DETAILS

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GENERAL STATISTICS

Population (Census count 7 March 2006) 46,179

Population (Resident 7 March 2006) 42,558

Inter-Census Population Movement (+) 8.6%

District Area 17,517 square kilometres

as at 30 June 2011

Rateable Land Value..... \$8,880,698,250

Rateable Capital Value..... \$15,940,771,850

Number of Rate Assessments..... 25,565

ADDRESSES

District Administration Building

15 Seymour Street, Blenheim 7201

Picton Service Delivery Centre (includes Library)

67 High Street, Picton

Harbour Control

Mariner's Mall, Picton

Marlborough Library

Corner Arthur and Seymour Streets, Blenheim

Assets and Services Depot

Freswick Street, Blenheim

Reserves Depot

Pollard Park, Blenheim

SOLICITOR

P J Radich of Radich Law, Blenheim

BANKERS

Bank of New Zealand, Blenheim

AUDITOR

Auditor General, Audit New Zealand, Christchurch

MAYOR'S REPORT

The purpose our Annual Report is to inform the community about the Council's achievements, and financial and non-financial performance, over the year July 2010 - June 2011. The report is audited by Audit New Zealand on behalf of the Auditor-General.

The past year will be long remembered in New Zealand due to the tragedies that occurred in Canterbury and Greymouth. As fellow South Islanders, Marlburians are likely to have been touched by these events and have been strong in their support. Council too has provided help on the ground in Canterbury, and also to those displaced and seeking respite from the aftershocks that continue today.

This year saw the end of the three year term of the Council elected in 2007, and the start of a new three year term following the district elections in October. I would like to pay tribute to the previous councillors, who presided over the culmination of a period of sustained growth for the district and ensured that enough investment was made to keep pace with development.

The elections brought a number of new faces, with many talents, to the Council to work alongside the re-elected councillors. This mixture of experience and new ideas will be utilised to the full to deal with the challenges we face ahead.

A number of important community facility investments progressed this year. A \$14 million upgrade to the Regional Aquatic Centre in Blenheim was partially completed by June 2011. The new facility when complete will be a great place for our community to have fun and also a fantastic resource for performance athletes to develop their talents. The stadium complex as a whole is a place that all of Marlborough can be proud of.

Investment in Blenheim's CBD continued this year with the new carpark in Alfred Street, which will provide over 300 extra parks to service our retailers and the Convention Centre. A new i-SITE for Blenheim was completed in time for the Rugby World Cup and will provide our visitors and locals with an even better place to find out what to do in our beautiful province. In Picton, the community received a boost with the completion of the Picton foreshore redevelopment and London Quay development.

Much of the business of Council is to ensure that our statutory duties are met and our infrastructure networks are maintained and improved. Although there has been a marked downturn in the economy of late, Council is focused on providing efficient and effective services to ensure that investment can still take place wherever possible. Significant levels of funding have been provided to maintain our roads and water infrastructure and additional funding has had to be found to repair the damage caused by storms in December, May and June. Kerbside recycling services got underway in October and have proven very popular with over 80% take up by those receiving collections in Blenheim and Picton.

Your interest in reading our Annual Report is appreciated and feedback is welcome.



Alistair Sowman
MAYOR

ACHIEVEMENTS 2010-11

The following is a summary of some of the projects and activities carried out by Council over the last year.

Democratic Process

The triennial Council elections took place in October 2010. The 2010 election was successfully run with no recount nor petition for inquiry sought. The overall turnout was up compared to the previous general election held in 2007 with approximately 2,000 more votes cast. Elections were also held for positions on the Nelson Marlborough District Health Board.

2009-10	2010-11	Results
✓	✓	Budget On target.
✓	~	Targets <ul style="list-style-type: none"> 67% of targets (2 out of 3) were achieved (2009-10: 100%). The non achieved target missed by 0.1 through the resident satisfaction survey (6.5 targeted, 6.4 scored).
Activity:		<i>Democratic Process.</i>



People

Council continued to provide funding for Arts, Heritage and Community Support. All grants were allocated and a number of activities received support. Our Safer Communities Marlborough team managed a number of community safety projects that are aimed at our youth.

In the first year of its operation, 68 properties benefited from Heat Smart funding. This self funding scheme aims to improve energy efficiency and make homes warmer in winter. All payments made under this scheme are recouped via targeted rates on those properties over a number of years.

Libraries offered a number of programmes throughout the year for residents of all ages. Picton Library commenced its Library on Wheels project to help our more remote communities in the Sounds access library services.

2009-10	2010-11	Results
✓	✓	Budget On target.
~	✓	Targets <ul style="list-style-type: none"> 85% of targets achieved (2009-10: 73%).
Activities:		<i>Culture and Heritage. Community Housing. Community Safety. Community Support. Library Services.</i>

Key:						
Budget	✓	Expenditure within 20% of budget	~	Expenditure within 40% of budget	✗	Expenditure more than +/- 40% of budget
Target	✓	Achieved at least 80% of target(s)	~	Achieved at least 60% of target(s)	✗	Achieved less than 60% of target(s)

Land and Water Services

The redevelopment of the Regional Aquatic Centre in Blenheim commenced, and was partially completed by the end of June 2011.

Preparations were made for the Rugby World Cup 2011 including upgrading of the drainage at Lansdowne Park. Marlborough was selected to host the Russian rugby team during the tournament.

The redevelopment of the parking building in Alfred Street, Blenheim was commenced and largely completed by June 2010. The purchase of the Wynen Street car park was completed to increase short term parking and to secure the long term future an important development site in the CBD.

Significant investment in upgrading the water treatment plants at Bomford Street, Blenheim and Essons Valley in Picton was made to ensure drinking water quality complies with New Zealand standards. Awatere water users opted to support improvements to their drinking water supply. Reservoir improvements were made in Blenheim, Picton and Havelock. Sewerage upgrades were made in Blenheim and Picton.

The kerbside recycling service began in Blenheim and Picton in October 2010 with over 80% of residents participating.

Large storm events occurred in December 2010. River protection works functioned as intended. Damage to the roading network occurred mainly in areas not covered by Council's flood protection schemes. Significant unbudgeted expenditure was incurred restoring road access to the affected communities.



2009-10	2010-11	Results
✓	✗	<p>Budget</p> <p>The main reasons for the cost variances are:</p> <ul style="list-style-type: none"> • Costs for completion of Alfred Street car park originally budgeted in 2009-10. • Write-off of demolished facilities at the Marlborough Aquatic Centre. • Costs of reinstatements after the December 2010 flood damage.
~	~	<p>Targets</p> <ul style="list-style-type: none"> • 67% of targets achieved (2009-10: 64%). • Of the 26 targets not achieved, 10 were new. • As the combined resident satisfaction scores are higher than 2009-10 and a number of the targets were only missed by small amounts, variations in levels of service were not significant.
Activities:		<p><i>Land Transport.</i></p> <p><i>Community Facilities.</i></p> <p><i>Rivers and Land Drainage, Sewerage, Stormwater.</i></p> <p><i>Water Supply.</i></p> <p><i>Solid Waste Management.</i></p>



Environmental Policy

The 'Growing Marlborough' growth strategy hearings and decisions for Southern Marlborough, and public submissions for Northern Marlborough took place during the year.

Progress on the second generation Resource Management Plans continued throughout the year. Public notification of the plans is expected to take place in 2012.

Marlborough hosted 250 delegates for the Biosecurity Institute conference in August 2010.

The biennial Environment Awards were held in November 2010.



2009-10	2010-11	Results
✓	✓	Budget On target.
~	✓	Targets <ul style="list-style-type: none"> 81% of targets achieved (2009: 76%).
Activities:		<i>Environmental Policy.</i> <i>Environmental Science and Monitoring.</i> <i>Animal and Plant Pests.</i>

Regulatory

95% of all resource consent applications were processed within the required timeframe, comparing well with other regions across New Zealand.

Eleven building control officers provided over 700 hours support to Canterbury region following the earthquakes in September and February. The main task was building evaluation.

2009-10	2010-11	Results
~	✓	Budget On target.
~	~	Targets <ul style="list-style-type: none"> 75% of targets achieved (2009: 60%). Of the 11 targets not achieved 3 were very closed to target. As the combined resident satisfaction scores are slightly higher than 2009-10 and a number of targets only missed by small amounts, variations in levels of service were not significant.
Activities:		<i>Resource Consents.</i> <i>Building Control.</i> <i>Compliance.</i> <i>Animal Control.</i> <i>Harbours.</i>



Regional Development

The redevelopment of Blenheim i-site commenced with completion due in time for the start of Rugby World Cup.



Redevelopment of the commercial land at London Quay, Picton was completed which resulted in a significant upgrade of facilities of this prominent site.

Successful New Years celebration in Picton and Blenheim with over 5,000 attendees.

2009-10	2010-11	Results
✓	✓	Budget On target.
~	✓	Targets <ul style="list-style-type: none"> 83% of targets achieved (2009: 69%).
Activities:		<i>Regional Development.</i> <i>Marketing and Tourism.</i> <i>Events Management.</i> <i>Research Centre.</i>

Emergency Management

Our Emergency Management team responded to the Canterbury earthquakes in September 2010 and February 2011 by providing assistance where needed on the ground in Christchurch and those surrounding areas affected.



2009-10	2010-11	Results
~	✓	Budget On target.
✓	~	Targets <ul style="list-style-type: none"> 62% of targets were achieved in comparison to 82% in prior year. However, the resident satisfaction scores is higher than 2009-10. Of the five targets not achieved 3 were completed shortly after target date.
Activities:		<i>Emergency Management.</i>

CHIEF EXECUTIVE'S REPORT

Thank you for taking the time to read this Annual Report, which looks back over the period from July 2010 until June 2011.

The economic landscape in Marlborough has changed significantly in the past two or three years. The long period of growth has slowed sharply, and Council now faces different pressures as it seeks to provide good services whilst keeping our costs down. Staffing levels were reduced this year as falling demand for some of our services continued and it was no longer possible to carry these costs. There has also been an increased focus on Council processes, particularly the tendering of our contracts. The Sheard report confirmed that Council's tendering processes are robust, and provided recommendations to make tendering policies more accessible and to release more information following tender closing. These recommendations have been implemented. The allegations of corruption and impropriety made to Mr Sheard proved to be completely unfounded.



Council's financial position remains very strong, with assets of \$1,302.2 M and liabilities of only \$38.1 M. Council's debt to external parties net of investments is only \$3.9 M. However, financially this year has been challenging with the fall in some revenue items as a result of the economic slowdown. Additional costs have also been incurred as a result of: flood damage, write off of the old Aquatic Centre buildings, the establishment of a provision to recognise the ongoing costs of managing Council's eight closed landfill sites and increased legal and Commissioner costs as a result of the "Sheard Report" and the greater use of Commissioners following the elections and increasingly contentious hearings. In part, these negative effects have been offset by additional subsidies from the NZTA (road related flood damage) and distributions from Marlborough Regional Forestry.

Our staff have worked hard to maintain levels of service for the community, and particular effort has been made to improve the measurement of our performance to ensure we are demonstrating the value of our services to the public. Our performance improvement is evident in this report as an increasing number of our targets are being met.

The annual resident satisfaction survey showed once again that our residents are very satisfied with the services we provide. All of the services we surveyed scored positively, and there was a slight overall increase in satisfaction compared to 2010.

An important part of Council's work programme is planning for the future. Work on Council's second generation resource management plans continued in partnership with key interest groups. When complete, these plans will guide how the development of the region can occur whilst protecting our environment. We also continued to develop our growth strategies, which have had significant public input, and also our asset management plans and the Long Term Plan which is due for consultation in 2012.

The elections held in October were run very efficiently, and led to a number of new councillors being elected. Staff have been working hard to bring the new councillors up to speed on how the Council operates, and to prepare them well for the many important decisions they will be making during the current term, particularly in relation to our future planning.

A handwritten signature in black ink, appearing to read "And B".

Andrew Besley
CHIEF EXECUTIVE