

Draft Long Term
Council Community Plan
Summary



Mayor's Welcome



Welcome to the Marlborough District Council draft 2009 - 2019 Long Term Council Community Plan (LTCCP). This document details the proposed services we will provide to our community over the next decade and how they will be paid for. We are seeking your views on this draft Plan as part of our development of the final Plan.

The Council plays a crucial role in our community; it is a provider of essential services, a regulator, a major employer, a large purchaser, and a voice and focal point for the community's ambitions. The Community Outcomes identified in 2006 are reaffirmed in this Plan as priorities for the Council. In these troubled economic times the Council will seek to keep rates low whilst maintaining, and improving where possible, the level of services to our community. Balanced with this choice, Council is also fully aware of the need to invest in our infrastructure to meet the needs of our growing community and to help maintain the vitality of the local economy.

The population and the economy of Marlborough has visibly changed and grown in recent years. This growth is projected to continue beyond the life of this Plan and we need to prepare to meet the challenges that this sustained growth will bring.

Developing and maintaining our infrastructure is costly, but necessary to ensure Marlborough's facilities are fit for purpose into the next decade. Council is proposing a capital investment programme for the next 10 years including planned improvements to: the water and sewerage systems in our major population centres; the roading network and Blenheim's CBD. In addition community facilities such as reserves, sports grounds, aquatic facilities and walking and cycling routes will be provided. This investment should also lift current service levels. We also intend to build on our previous investment in the Resource Recovery Centre by proposing the introduction of kerbside collection for recyclable materials in Blenheim, Picton and Waikawa.

One of the key issues discussed in this document is the

Statement of Proposal on a new Development Contributions Policy where we are seeking to secure a contribution to the true costs of growth borne by the Council for expanding our infrastructure networks to support the increased use of essential services.

Progress is continuing with our major development projects with a constant eye on adapting plans to meet changing circumstances. The London Quay development at Picton will continue on a phased basis with site clearance, landscaping and public access works commencing in 2009 enhancing this prominent site. Work is scheduled to commence on the Regional Aquatic Centre in June 2009 and is expected to take 18 months to complete, during which time the existing facility will continue to operate. A shortage of parking in and around the Blenheim CBD is being tackled by plans to develop sites in the town, the first of which is in Alfred Street. The proposed Marlborough Civic Theatre development will also be supported if fund raising targets are met by the Theatre Trust.

The Wairau/Atwater Resource Management Plan was made operative in March 2009. This means that the Council's resource management framework is now complete. Ironically, the Council has begun the process of reviewing this framework. This is necessary to ensure that we continue to adapt to legislative, economic and environmental changes as they occur. This review is a public process and I would encourage you to participate and contribute to developing a vision for the future.

You will be aware that community consultation is regularly used by the Council when discussing proposed service changes and improvements. The consultation process for this draft LTCCP is the primary opportunity for the community to have its say about the Council's 10 year plan and the full range of services that the Council provides.

This document contains extensive information but if you need additional information on anything in this Plan please contact Council staff. Anyone wishing to respond is encouraged to complete the draft LTCCP submission form.

Alistair Sowman
Mayor



Have Your Say

Submissions may be made using either the submission form or by writing (including email) to the Council, and should be received by 5.00pm on 7 May 2009. Public hearings will be held on 2, 3 and 4 June (if required) 2009. Please state in your submission if you wish to present your submission in person at the public hearing.

Submissions, including full contact details, should be addressed to: **Judith North**

Draft Community Plan Submissions
Marlborough District Council
P O Box 443, Blenheim 7240
Email: judith.north@marlborough.govt.nz

You can get a free copy of the draft Plan from Council's offices in Blenheim and Picton, the Blenheim Public Library or you can request a copy by calling 03 520 7400. Call this number if there is a particular part of this summary that you would like further information on.

What's in the Draft Plan?

Volume One

- Marlborough's Community Outcomes.
- Progress towards Outcomes since 2006 LTCCP.
- State of the Community Statistics.
- Community Partners information

Volume Two

- Plan highlights, including a Statement of Proposal for the Development Contributions Policy.
- Marlborough's key challenges.
- Council Activities, proposed levels of service, performance targets and budgets.
- Financial statements and policies (including accounting, significance, revenue and financing, treasury management, financial contributions policies), rating movements and indicative movement in rates and charges for "benchmark" properties.

Community Outcomes

What are They?

Community Outcomes are the priorities that have been identified by the people of Marlborough for now and the future. They are related to the economic, social, cultural and environmental needs of the district and ensuring that what we do now does not compromise future generations. The Community Outcomes were last set in 2006 and will be reviewed as part of preparing for the 2012-2022 LTCCP.

Marlborough's current community outcomes are:

- Environmental sustainability
- Prosperity
- Energy efficiency
- Affordable housing
- Health choices



- Knowledge and learning
- Enterprise and endeavour
- Full participation
- Positive ageing
- Positive youth
- Safety and security
- Essential services
- Heritage
- Fun and recreation
- Physical activity
- Creativity

Who is Responsible for Achieving Community Outcomes?

The Council has a major role to play through the services it provides to the community, as do other organisations and groups providing services in the area. You can play your role too, by telling the Council which activities matter most, telling the other service providers, and by volunteering for one of the many groups that provide support to our community.

How do Community Outcomes Link to Council Activities?

As both a regional and territorial Council, MDC provides a wide range of services to its community. The Council uses the community outcomes as building blocks to plan and shape these services. The Activity Plans in volume two of the full draft document details which Community Outcomes each service is linked to. For example: our land transport system contributes to essential services, prosperity, physical activity and environmental sustainability.

Key Challenges

Council believes the defining issue for communities in the early 21st century is how to meet our present needs and aspirations without compromising the opportunities of future generations. The principal challenges that we face as a district are:

- **Environmental Sustainability**
The ability to keep producing good wine and food while maintaining the quality and integrity of natural resources such as land, freshwater, coastal space and our unique landscapes. Furthermore, making our urban centres great places to live and work.

- **Climate Change**

Understanding the predictions of more variable rainfall, more severe droughts and rising sea levels, and determining the strategies to adapt to these changes.

- **Population Change**

Addressing the particular needs and expectations of a community that is ageing and becoming more culturally diverse.

- **Pressure on Key Infrastructure**

Maintaining adequate and affordable levels of service for water supply, wastewater, stormwater, roading and waste management, that are put under pressure by population growth, growth in commercial activity, increasing health and environmental standards and the community expectations.

- **Sustaining Growth and Innovation**

Encouraging high value enterprises, creativity and innovation by making the most of our natural resources and attracting the necessary mix of labour skills and financial capital.



Plan Highlights

This section outlines the key highlights in the draft 2009-19 LTCCP.

Financial Overview

Council has prepared the 2009-19 Long Term Council Community Plan (LTCCP) with the objectives of maintaining or enhancing existing levels of service, responding to community demands for essential infrastructure improvements and to keep rates at reasonable levels.

Over the next 10 years Council is embarking on a \$488 million programme of capital expenditure that replaces or enhances the District's core infrastructure, an increase of \$174 million over the 2006-16 LTCCP. This includes improving our Water Supply, Stormwater, Wastewater (Sewerage), Roads, River protection and Drainage.

To meet the cost of this capital expenditure and Council's operations Council is proposing an average increase of 3.1% in general rates which forms part of a 4.8% increase in total rates and charges for 2009-10. The indicative rates and charges movements for benchmark properties are shown later in this document.

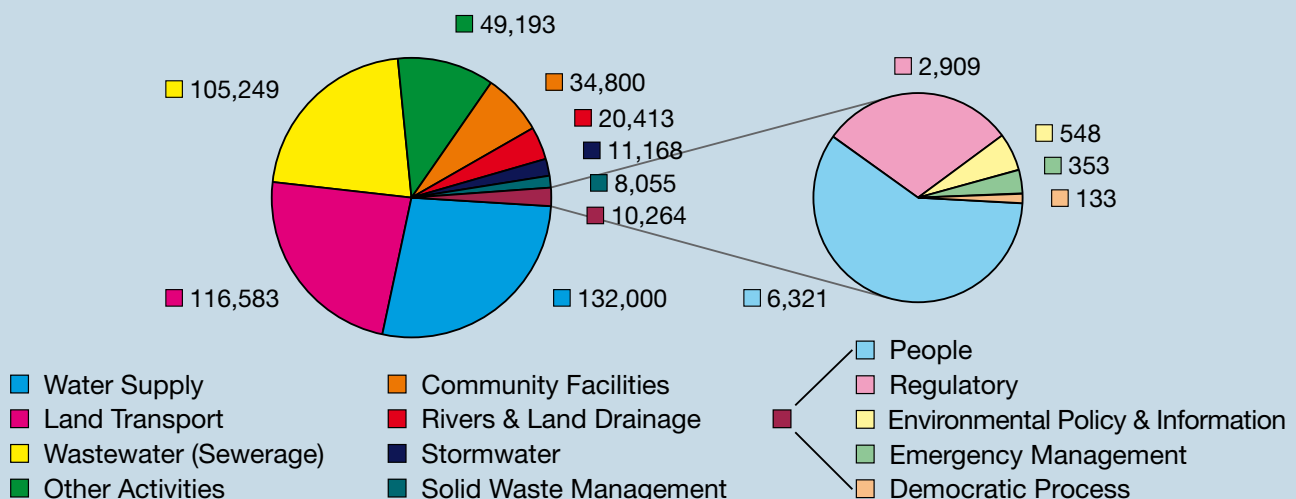
Increases in General Rates and Charges over the remainder of the 10 year period of the 2009-19 LTCCP range from 1.9% to 7.9%. When all Rates and Charges are taken into account, as compared to just General Rates and Charges, this range increases to 3.4% to 9.4%.

Council will continue to try and identify alternative sources of revenue in an attempt to better match who pays with who causes additional demands on Council services and infrastructure. The proposed Development Contribution levy is an example of this.

Council is proposing to use its reserves, the largest of which is the Infrastructure Upgrade Reserve and is also looking to utilise its debt servicing capability to reduce the impact on current ratepayers arising from the proposed expenditure programme. This proposed increase in debt levels has resulted in Council proposing to amend its Treasury Management Policy, the detail of which is shown on page 138 of the LTCCP. Council's proposed net borrowings are shown on page 116 of the LTCCP. While the proposed debt levels are an increase over previous levels, Council's proposed level of debt compares well with other Local Authorities.

Other proposed changes to the Revenue and Financing Policy are shown on page 145 of the LTCCP.

Capital Expenditure 2009-2019 (\$000)



Major Initiatives Planned for Completion

2009-2012 Period

2012-2019 Period

Major Policy Reviews

Notification of a new Marlborough Regional Policy Statement.	The completion of an efficiency and effectiveness assessment of the Regional Policy Statement & Resource Management Plan five years after they become operative.
Urban Development Strategy for the Blenheim town centre.	
Wider Blenheim Development Strategy.	
A water re-allocation conceptual framework	
Notification of a new Combined Resource Management Plan.	

Community Facilities

Marlborough Aquatic Centre	Picton Aquatic Centre
Marlborough Civic Theatre – Exact timing is dependant upon the Civic Theatre Trust meeting funding targets	
Blenheim i-SITE Redevelopment	

Land Transport

A number of short and medium term improvements are recommended in the recently completed Blenheim and Wairau Plains transport study. Subject to funding being identified, these include Blenheim CBD travel demand management, better public transport, walking and cycling routes, Opawa Bridge widening and four-laning major state highway roundabouts. Road sealing and seal strengthening are also being considered in priority areas.

Completion of Alfred St Car Park	Scott/Kinross St Car Park
Completion of Wynen St Car Park development	Wynen and Lower Scott St CBD Upgrades

Rivers and Drainage

Kent St Picton Drainage Improvements	Picton's Waitohi Culvert Upgrade
Lower Wairau River Sedimentation Control Works	

Wastewater (Sewerage)

Blenheim Sewer Treatment Pond (BSTP) Upgrade	Upgrade Blenheim to Main Pump Station Trunk Sewer
Picton Sewer Outfall Replacement	Burleigh Sewer Reticulation
Dublin St Picton Pump Station Upgrade	Nelson St Pump Station
Grovetown/Spring Creek Sewerage Scheme	Renwick Capacity Upgrade
	BSTP Capacity Upgrade
	Surrey St Picton Pump Station Upgrade
	Beach Road Picton Pump Station Upgrade
	Dublin St to Queen Charlotte College Picton Pipe Upgrade
	Seddon Treatment Upgrade
	Tuamarina Sewerage Scheme

Stormwater

Blenheim Stormwater Strategy Implementation

Water Supply

New Lower Taylor River Reservoir and connections	New Upper Taylor River Reservoir and connections
Bomford St Treatment Plant Upgrade	Picton 3rd Water Source, connection and treatment
Havelock Treatment Plant Upgrade	Awatere Rural "Point-of-entry" Treatment Scheme
Victoria Domain Picton Reservoir	Grovetown Water Reticulation
Speeds Road Picton Treatment Upgrade	Spring Creek Water Reticulation
Renwick Water Treatment Upgrade	Rarangi Water Reticulation
Renwick Reservoir	Riverlands Treatment Plant Upgrades
Seddon Township Water Treatment Plant	

Solid Waste Management

Regional Landfill – Stage 7 Construction

Other Activities

Picton Foreshore Redevelopment (stage 1)	Picton Foreshore Redevelopment (stage 2)
Boulevard on Taylor Subdivision – further stages	

Development Contributions Policy

The Council is proposing a new Development Contributions policy to help meet the costs of expanding infrastructure networks caused by significant population growth. As this policy is only a proposal, the likely financial impacts have not been taken account of in the development of proposed rating levels and the financial statements. Should the Development Contribution Policy be adopted, subsequent to the consultation period, an additional \$8 million of revenue is expected to be collected, over and above what is currently levied under the current Financial Contributions Policy. The anticipated \$8 million of additional revenue will be used to reduce the rates and charges outlined in the forecast financial statements. For details of the proposed policy see page 170 of volume 2.

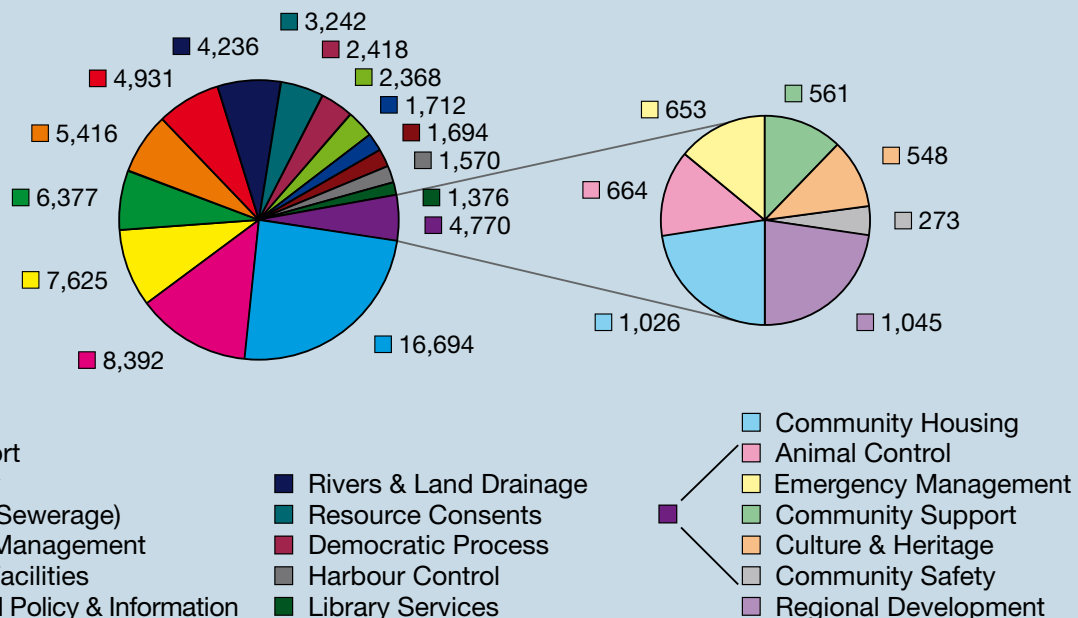
Other Matters for Consideration

- The Council recently completed a new Resource Recovery Centre that has provided the capacity to commence a kerbside collection service for recyclable materials from domestic properties. It is proposed that the service will start in Blenheim, Picton and Waikawa in August 2009 at the cost of \$64.50 targeted rate per property receiving the service per annum.
- The rapid growth in recent years of urban, rural residential and industrial subdivision has seen an increased emphasis on higher quality landscaping, such as entry statements, tree and garden plantings and higher quality lighting. The initial cost of the landscaping is met by the developer but ultimately the Council receives these assets and is responsible for their ongoing maintenance. A fair method of recovering the increased maintenance costs is proposed, so those people living there (that receive the most benefit) pay some or all of the costs.
- A combined single sewerage funding scheme is proposed to replace the seven schemes that currently operate which will help all local communities afford necessary upgrades to their sewerage than the current system.
- With additional general or targeted rate funding, more roads could be sealed and improved either across the district or in particular localities.
- The Council has received recommendations from Destination Marlborough that Blenheim's current i-SITE, which is located at the Railway Station, is in need of significant upgrading. Blenheim i-SITE is an important asset that supports our tourism industry and also provides a valuable service to the local community. The upgrade will provide an enhanced information facility with a café and retail space that can increase awareness of the local tourism offer, generate more income from sales.
- Rainbow ski field is a well used local winter sports facility for the Top of the South community that has been operated by an incorporated society since 2002. The facilities at the ski field are ageing and a \$2.9m five year investment programme has been drawn up which includes \$270,000 for urgent safety and hygiene improvements. The operators require funding for these urgent works to ensure the centre can remain open whilst sufficient funds are gathered for the major investment programme. Marlborough, Nelson and Tasman Councils have been approached for funding. As this is an important community facility for our residents, Council is proposing to offer a \$90,000 suspensory loan over seven years, providing a similar contribution is secured from each of the other two Councils.

Council's Activities

Council is involved in a diverse range of activities. The draft Community Plan gives detailed information on these, describing the assets that are used to deliver the activity, issues and changes that are likely to be faced in the coming years, how progress will be monitored and the amount of spending and revenue that is projected over the next 10 years. The amounts budgeted for each group in 2009/10 are:

Expenditure by Activity 2009/10 (\$000)



Rate Movements 2009-2019

Total Rates and Charges for 2009-10 are estimated at \$47,609,196 (GST exclusive). This represents an increase of \$2,180,572 (4.8%) on last year's levy.

The rating effect will be different for individual properties because of the varying effects of the recent district-wide revaluation; movements in general-type rates not impacting uniformly on all geographic rating areas; and movements in targeted separate rates (such as Blenheim Sewerage, Picton Water, etc) affecting only properties in those areas.

Significant Contributors to the Overall Rates Increase are as follows:

<i>Reserves</i>	\$225,718	Increased costs for maintenance of new reserves (principally Lansdowne Park).
<i>Land Transport</i>	\$473,534	Increased cost of maintaining roads attributable to higher fuel and bitumen costs and safety improvements.
<i>Stormwater</i>	\$173,457	Increased depreciation costs arising from asset revaluation.
<i>Blenheim/Picton Refuse and Recycling</i>	\$763,909	Increased refuse collection costs and provision of new kerbside collection recycling scheme for Blenheim and Picton residential properties.
<i>Rivers and Drainage</i>	\$116,883	Reduction in gravel extraction sales and debt servicing costs for Waitohi culvert improvements.
<i>Grovetown Sewerage</i>	\$47,668	Additional debt servicing costs for staged development of new scheme.
<i>Havelock Sewerage</i>	\$15,925	Increased operating costs.
<i>Picton Sewerage</i>	\$36,001	Increased operating costs.
<i>Seddon Sewerage</i>	\$19,289	Increased depreciation costs arising from asset revaluation.
<i>Awatere Water</i>	\$33,357	The metered water rate will increase from \$1.10 per cubic metre to \$1.20 per cubic metre for consumption in excess of 275 cubic metres (GST inclusive) to meet increased operating costs. The existing \$25 meter charge will be replaced with a uniform charge of \$343 per separately used or inhabited part of every rating unit.
<i>Blenheim Water</i>	\$225,138	Increased debt servicing costs associated with treatment upgrades and a new reservoir, power charges and depreciation costs arising from asset revaluation.
<i>Havelock Water</i>	\$16,577	Increased depreciation costs arising from asset revaluation and increased power costs.
<i>Picton Water</i>	\$204,231	Increased debt servicing costs associated with new reservoir and pipelines upgrades, compliance costs for Barnes Dam structure, power charges and depreciation costs arising from asset revaluation.
<i>Southern Valleys' Irrigation</i>	\$21,905	Increased operating costs.
<i>Wairau Valley Water</i>	\$447	Increased operating costs.
<i>Picton Forum</i>	\$20,000	Grant to Picton Forum (to be funded by Picton electoral ward).
<i>Tourism</i>	\$4,626	CPI adjustment to tourism charges.

Additional information in support of the summarised rate movements is included in the Rates Movement Section and Funding Impact Statement of the draft Community Plan.

Forecast total rates and charges for 2010-2019 (Inflation adjusted)

	2010-11 \$M	2011-12 \$M	2012-13 \$M	2013-14 \$M	2014-15 \$M	2015-16 \$M	2016-17 \$M	2017-18 \$M	2018-19 \$M
<i>Total Rates and Charges</i>	52.1	55.9	59.3	62.8	66.2	70.1	74.1	77.0	79.7
<i>% Movement</i>	9.4%	7.2%	6.1%	5.9%	5.5%	5.9%	5.7%	3.9%	3.4%

The forecast rates movements are based on current assumptions. Council will review these assumptions when it prepares the 2010-2011 Annual Plan, with a view to reducing rate movements. The key expenditure growth areas for 2010-11 are Roading and Water.

Indicative Rating Impact on Benchmark Properties

	1 Land Value (LV) \$	2 Reval. LV % MVT	3 08/09 Actual Rate Levy \$	4 08/09 Reval Rate MVT \$	5 08/09 Reval Equiv Rate Levy \$	6 09/10 Budget Rate MVT \$	7 09/10 Draft Plan Rate Levy \$
<i>Blenheim Residential</i>	190,000	30.14%	1,927	(40)	1,887	154	2,041
<i>Blenheim Residential</i>	170,000	32.81%	1,867	(22)	1,845	140	1,985
<i>Blenheim Residential</i>	205,000	26.54%	2,048	(75)	1,973	167	2,140
<i>Blenheim Vacant Section</i>	180,000	32.35%	1,584	(17)	1,567	110	1,677
<i>Blenheim Commercial</i>	108,000	42.11%	2,440	(27)	2,413	59	2,472
<i>Blenheim Commercial</i>	385,000	45.83%	5,818	43	5,861	330	6,191
<i>Picton Residential Note 1</i>	130,000	22.64%	1,938	(5)	1,933	234	2,167
<i>Picton Residential Note 2</i>	190,000	8.57%	2,325	(139)	2,186	256	2,442
<i>Picton Vacant Section Note 1</i>	121,000	10.00%	1,571	(85)	1,486	116	1,602
<i>Picton Commercial Note 1</i>	315,000	-1.56%	5,712	(1,263)	4,449	286	4,735
<i>Picton Motels (19 units) Note 2</i>	450,000	20.00%	8,277	(692)	7,585	684	8,269
<i>Blenheim Vicinity</i>	1,575,000	40.00%	4,211	(31)	4,180	171	4,351
<i>Blenheim Vicinity</i>	850,000	39.34%	2,750	20	2,770	68	2,838
<i>Blenheim Vicinity</i>	6,600,000	40.43%	16,116	48	16,164	667	16,831
<i>Blenheim Vicinity</i>	4,300,000	41.45%	10,797	(6)	10,791	443	11,234
<i>Blenheim Vicinity</i>	3,600,000	40.63%	9,337	(20)	9,317	381	9,698
<i>Renwick Residential Note 3</i>	155,000	78.16%	1,464	90	1,554	1	1,555
<i>Renwick Residential Note 4</i>	150,000	72.41%	1,555	88	1,643	(7)	1,636
<i>Spring Creek Residential</i>	135,000	50.00%	1,848	39	1,887	29	1,916
<i>Grovetown Residential</i>	175,000	84.21%	1,567	477	2,044	244	2,288
<i>Rarangi Residential</i>	305,000	5.17%	1,150	(158)	992	34	1,026
<i>Picton Vicinity</i>	2,600,000	124.14%	2,300	1,099	3,399	108	3,507
<i>Ngakuta Bay - bach</i>	180,000	0.00%	651	(73)	578	19	597
<i>General Rural - French Pass</i>	3,800,000	35.71%	7,592	(119)	7,473	237	7,710
<i>General Rural - Manaroa</i>	4,300,000	34.38%	8,750	(116)	8,634	275	8,909
<i>General Rural - Opouri Valley</i>	2,750,000	123.58%	3,260	1,802	5,062	165	5,227
<i>General Rural - on Awatere Water</i>	2,350,000	5.86%	8,754	(1,231)	7,523	435	7,958
<i>Havelock Residential</i>	225,000	40.63%	1,789	(7)	1,782	137	1,919
<i>Seddon Residential</i>	95,000	79.25%	1,120	37	1,157	129	1,286
<i>Admin Rural - farm</i>	9,958,000	34.66%	7,647	169	7,816	166	7,982
<i>Admin Rural - bach</i>	250,000	0.00%	530	(56)	474	9	483
<i>Admin Rural - bach</i>	415,000	33.87%	586	5	591	11	602

Reval LV % Mvt (column 2) is the percentage increase in the property's land value as a result of the 2008 revaluation.

Reval Rate Mvt (column 4) is the difference between the 2008-09 Actual Rates and the Revaluation Equivalent amount.

Reval Equiv Rate Levy (column 5) is what the 2008-09 rates would have been if levies were based on the 2008 revaluation.

Note 1 These properties pay the Sewer Treatment Loan Rate because they did not make a Lump Sum payment.

Note 2 These properties opted to make Sewer Treatment Lump Sum payments.

Note 3 This property opted to make Sewer Lump Sum payments.

Note 4 This property opted to make Sewer loan repayments over a 20 year term, in lieu of Lump Sum payments.

There were wide-ranging valuation movements in the 2008 district-wide revaluation and the Benchmarks above may not reflect the range of valuation movements. The valuation movement range for each area (and each area's average movement) are detailed in the Financial Impact Statement. If a property has a valuation movement above the average for that area, a rates increase will arise as a result of the revaluation. If a property has a valuation movement less than the average for that area, a rates decrease will arise as a result of the revaluation. A revaluation does not increase Council's rate levy, however it does redistribute the levy between ratepayers.