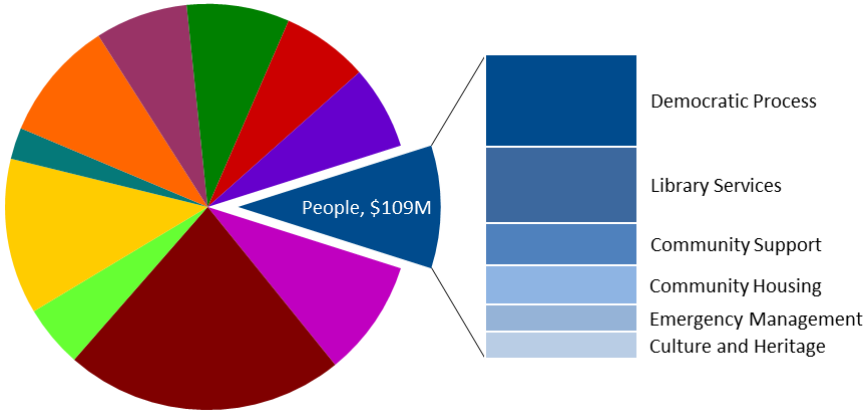
People

Operating Costs

The operating costs for the People Group of Activities represents $109 million of total Council expenditure.



Major Budgeted Capital Projects

The major capital projects for the People Group of Activities are:

Activity	Major Capital Projects	Inflated value (Millions)
Culture and Heritage	2017-18 Construction of new art gallery as part of the Blenheim Riverside Precinct project.	$2.1
Community Housing	2015-25 Redevelopment and upgrading of a number of Housing for the Elderly units.	$2.3
Community Support	2015-16 Construction of a bus shelter at Blenheim Railway Station.	$0.3
	2015-25 Provision for construction of three additional bus shelters per year to meet Levels of Service.	$0.2
Library Services	2015-19 New Blenheim library as part of the Blenheim Riverside Precinct project. The total project cost is estimated at $24.3M and is spread over several Council Activities: • 2014-15 $4M for site purchase and technical investigation included under Library Activity; • 2015-16 $1.5M for preparing old Civic Theatre for sale, included in Council's commercial property investment portfolio; • 2015-18 $2M for landscaping included under Roading Activity; and • 2017-18 $2.1M for construction of new art gallery included under.	$14.7
	2016-19 New Picton library.	$6.3

These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of each Activity section.

People

Rationale for the Delivery of the People Group of Activities

These Activities encompass a range of services that require Council input because of the positive input they make to the Marlborough community. The Activities encompass a range of People focused services from support to the youth and elderly, community services, housing and energy efficiency, democratic participation, safety and learning.

Changes to People Activity Group From the 2014-15 Annual Plan

Community Support Activity now includes this Community Safety (Safer Communities and Security Activity).

Intended Changes to Levels of Service from the 2014-15 Annual Plan

The table describes any intended changes to the levels of service within the group from the levels of service displayed in the 2014-15 Annual Plan. The reasons for the intended changes are also described.

2014-15 Annual Plan	2015-25 LTP	Reason for changes
Activity: Library		
-	Provide a range of programmes or training opportunities that meet or exceed customers' expectations.	Addition of level of service to measure library users views about programmes and training opportunities.
Activity: Community Safety		
Provide an overall service that meets or exceeds residents' expectations.	Merged with Community Support.	Activity is small in terms of overall cost and fits with Community Safety activity remit.
Provide quality service that meets and exceeds the expectations of the funding ministries and thus providing quality service to the community.	Merged with Community Support.	Activity is small in terms of overall cost and fits with Community Safety activity remit.
Provide services relevant to our community.	None.	Activity is funded by central government for each of the individual projects and is subject to constant changes.

Significant Negative Effects Associated with this Group of Activities

There are no significant negative effects that have been identified for this Group of Activities.

Activity Group Funding Impact Statement

The following Funding Impact Statement (FIS) is for the Activity Group, throughout this section a separate FIS is included for each Activity and these should be referred to for more detailed information.

People

Funding Impact Statement for 2015-25 PEOPLE	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	6,185	6,477	6,912	7,372	7,745	8,045	8,112	8,133	8,408	8,656	8,871
Targeted rates	120	137	162	187	214	232	162	133	100	78	53
Subsidies and grants for operating purposes	323	344	353	348	360	385	380	394	423	419	437
Fees and charges	21	24	24	25	25	26	27	28	29	30	31
Other receipts including fines and infringement fees	1,950	1,982	2,105	2,111	2,142	2,236	2,213	2,255	2,359	2,357	2,405
Total operating funding	8,599	8,964	9,556	10,043	10,486	10,924	10,894	10,943	11,319	11,540	11,797
Applications of operating funding											
Payments to staff and suppliers	5,154	4,464	4,773	4,869	4,813	5,081	4,997	5,000	5,318	5,296	5,564
Finance costs	1	11	144	557	911	858	731	706	680	668	670
Internal charges and overheads applied	2,097	2,793	2,866	2,951	2,997	3,001	3,081	3,122	3,191	3,295	3,367
Other operating funding applications	1,154	1,211	1,340	1,298	1,299	1,325	1,302	1,304	1,330	1,308	1,311
Total applications of operating funding	8,406	8,479	9,123	9,675	10,020	10,265	10,111	10,132	10,519	10,567	10,912
Surplus (deficit) of operating funding	193	485	433	368	466	659	783	811	800	973	885
Sources of capital funding											
Subsidies and grants for capital expenditure	-	10	10	10	11	11	11	11	12	12	13
Increase (decrease) in debt	-	310	3,500	6,299	2,155	-	-	-	-	465	457
Gross proceeds from sale of assets	-	-	-	-	-	2,981	-	-	27	-	-
Total sources of capital funding	-	320	3,510	6,309	2,166	2,992	11	11	39	477	470
Applications of capital funding											
Capital expenditure to meet additional demand	-	1,000	3,584	9,974	6,466	-	-	-	-	-	-
Capital expenditure to improve the level of service	3,583	172	24	25	27	29	31	33	37	39	42
Capital expenditure to replace existing assets	798	1,231	555	2,480	334	591	580	791	862	698	697
Increase (decrease) in reserves	(4,188)	(1,598)	(220)	(5,802)	(4,195)	3,031	183	(2)	(60)	713	616
Total applications of capital funding	193	805	3,943	6,677	2,632	3,651	794	822	839	1,450	1,355
Surplus (deficit) of capital funding	(193)	(485)	(433)	(368)	(466)	(659)	(783)	(811)	(800)	(973)	(885)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Reconciliation											
Total applications of operating funding	8,406	8,479	9,123	9,675	10,020	10,265	10,111	10,132	10,519	10,567	10,912
plus - Depreciation and amortisation	641	643	684	709	742	946	986	1,017	1,050	1,081	1,115
plus - Loss on sale of fixed assets	-	-	-	-	-	3	-	-	3	-	-
Expenditure as per Note 1	9,047	9,122	9,807	10,384	10,762	11,214	11,097	11,149	11,572	11,648	12,027

Democratic Process

Activity: Democratic Process

Operating costs of this Activity represent approximately 3.0% of total Activity expenditure.

How this Activity Contributes to Related Community Outcomes

This Activity contributes to the Community Outcome of Governance, People, Economy and Living by:

Outcome	Sub-outcome	Major linkages	Secondary linkages
Governance	Inclusive Enabling Participative Transparent Strategic Connected	Council is the main democratic body for the District. This Activity manages the public interaction with Council, and facilitates public interaction with other public and private organisations.	-
People	Engaged and participative	-	This Activity promotes the ability for people to be engaged and participative in their community.
Economy	Ability to connect	-	This Activity promotes the ability for industry to engage in their community.
Living	Opportunities for participation Social cohesion	-	This Activity encourages people to work together to participate in local democracy.

What is this Activity About?

The Marlborough District Council is a unitary authority, with the functions, duties and powers of both a regional Council and a territorial authority conferred on it by the Local Government Act 2002. This Act was recently amended and now describes the purpose of local government as being to enable democratic local decision-making and action by and on behalf of communities; and to meet the current and future needs of communities for good quality local infrastructure, local public services and performance of regulatory functions in a way that is most cost effective for households and businesses.

In considering the range and diversity of the communities that are represented in Marlborough, Marlborough District Council recognises the special relationship it has with Tangata Whenua, and acknowledges the specific responsibilities it has to Maori under the Local Government Act 2002 and under the Resource Management Act 1991.

The Marlborough District Council Local Governance Statement provides a comprehensive overview of its governance policies and processes. Copies of the Local Governance Statement, and associated polices and documents, can be viewed at Council Service Centres and Libraries, and on the Council's website.

The Council elections were held successfully in October 2013 (the next election being in October 2016 and every three years thereafter). In the two years prior to the 2016 election Council will be reviewing its election method (currently Single Transferable Vote) and also its representation arrangements (ward structure, etc). This review will again be taken in the two years prior to the 2022 election.

Emerging Issues and Expected Changes

The main emerging issue within this Activity is the community's expectation for more information, consultation and recognition of significant events and people, which increases the cost in these areas.

People

Levels of Service 2015-25: Democratic Process

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
Provide an overall level of service that meets or exceeds residents' expectations.	Resident satisfaction with this service as measured by survey, 10 = "service delivered extremely well".	6.5	6.6	6.6	6.7	6.7
Provide a service that is timely and responsive to residents' needs.	Percentage of agendas available to the public, by way of the website and counter enquiry, at least three working days prior to meetings.	100%	100%	100%	100%	100%
Properly managed local elections.	Elections and polls will comply with the provision of the Local Electoral Act 2001 with no petitions for enquiry.	No petitions for enquiry.	N/A	No petitions for enquiry.	N/A	No petitions for enquiry 2019, 2022 and 2025 elections.
Public contribution to decision making process.	% of Council items of business open to the public.	90%	90%	90%	90%	90%

People

Funding Impact Statement for 2015-25 Democratic Process	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	2,620	2,562	2,787	2,885	2,849	2,976	3,078	3,049	3,240	3,398	3,512
Other receipts	253	255	304	262	247	294	250	240	294	246	245
Total operating funding	2,873	2,817	3,091	3,147	3,096	3,270	3,328	3,289	3,534	3,644	3,757
Applications of operating funding											
Payments to staff and suppliers	1,578	1,148	1,348	1,345	1,251	1,445	1,446	1,352	1,565	1,572	1,620
Internal charges and overheads applied	1,283	1,657	1,725	1,785	1,828	1,829	1,871	1,927	1,985	2,059	2,124
Other operating funding applications	6	6	6	6	6	6	6	6	6	6	6
Total applications of operating funding	2,867	2,811	3,079	3,136	3,085	3,280	3,323	3,285	3,556	3,637	3,750
Surplus (deficit) of operating funding	6	6	12	11	11	(10)	5	4	(22)	7	7
Sources of capital funding											
Gross Proceeds from sale of assets	-	-	-	-	-	24	-	-	27	-	-
Total sources of capital funding	-	-	-	-	-	24	-	-	27	-	-
Applications of capital funding											
Capital expenditure to replace existing assets	-	-	41	-	-	44	-	-	49	-	-
Increase (decrease) in reserves	6	6	(29)	11	11	(30)	5	4	(44)	7	7
Total applications of capital funding	6	6	12	11	11	14	5	4	5	7	7
Surplus (deficit) of capital funding	(6)	(6)	(12)	(11)	(11)	10	(5)	(4)	22	(7)	(7)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Reconciliation											
Total applications of operating funding	2,867	2,811	3,079	3,135	3,085	3,279	3,323	3,284	3,556	3,637	3,750
plus - Depreciation and amortisation	6	6	12	12	12	12	6	6	3	7	7
Expenditure as per Income Statement	2,873	2,817	3,091	3,147	3,097	3,291	3,329	3,290	3,559	3,644	3,757

Activity: Culture and Heritage

Activity: Culture and Heritage

Operating costs of this Activity represent approximately 0.9% of total Activity expenditure.

How this Activity Contributes to Related Community Outcomes

This Activity contributes to the Community Outcomes of Governance, People, economy and Living by:

Outcome	Sub-outcome	Major linkages	Secondary linkages
Governance	Inclusive Participative Strategic Connected	The people of Marlborough want to be assured that their community aspirations for arts and heritage services are being supported for professional delivery of services.	Access to funding for services. Understanding the process to access funding. Provision of essential services.
People	Education Life long learning Diversity Flexibility Creativity Tolerance Engaged and participative	The people of Marlborough want to be assured that their community aspirations for arts and heritage services are being supported for professional delivery of services.	Capacity of the arts and heritage sector is supported.
Economy	Flexible labour Productivity Ability to connect	The heritage and arts sectors provide the opportunity for people to undertake rewarding work that suits their lifestyle.	Employment that reflects the changing demographics of youth, older people and families. Volunteer sector acknowledged as a key component to heritage services.
Living	Cultural facilities and events Opportunities for participation Social cohesion	The heritage and arts sectors supports the cultural richness of the District.	Enabling arts and heritage services to be accessible to the community at large.

What is this Activity About?

This Activity involves promoting the Marlborough communities' cultural wellbeing. Council defines "culture" as encompassing the customs, practices, languages, values and world views that define social groups in Marlborough. Practices such as arts, design, and architecture reflect and create our cultural identity. Likewise, the ways in which we approach and understand our heritage shapes our image of ourselves, and the image we convey to future generations.

The Marlborough culture is unique: nowhere else in the world is there the same combination of people, place and practice. Cultural identity – the sense of connection with other people through a shared culture – can make a strong contribution to a person's overall wellbeing. Responding to community changes requires a continual balance between the old and the new.

The Council's Arts and Culture Strategy, and its Heritage Strategy, sets out the roles played by Council in details, and the ways in which it proposes working with the community to achieve outcomes for culture and heritage.

These include:

- Forming partnerships with organisations and institutions that contribute to cultural wellbeing (eg; Marlborough Museum Past Perfect museums database project);
- Supporting projects that reflect and strengthen Marlborough cultural identity.
- Managing the cultural and heritage assets and resources in a sustainable manner.

Council also provides annual heritage operating grants and a pool of contestable arts, culture and heritage grant funds.

A total of $75,000 per year is available for heritage and $50,000 for arts and culture project assistance that:

- Supports the infrastructure of heritage/arts and culture service providers.
- Promote the sustainable use and enjoyment of Marlborough heritage/arts resources.
- Establishes closer linkages between heritage/arts and regional promotion and development.

People

A range of operating grants/contracts are provided to key heritage, arts and culture organisations in Marlborough. These include:

- Marlborough Historical Society, including funding for the "Past Perfect" database of Marlborough heritage collections.
- Edwin Fox, Renwick, Havelock and Flaxbourne museums.
- Marlborough District Brass Band.
- Millennium Art Gallery.
- Picton Historical Society.
- Marlborough Heritage Trust.

Major Budgeted Capital Projects

The table outlines the major budgeted projects and areas of expenditure proposed for this Activity over the next 10 years. Although these items are budgeted, in some cases further public consultation will be required with the relevant community before the project is implemented. These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of this Activity section.

Asset	Major Capital Projects	Inflated value (Millions)
Art Gallery	2017-18 Construction of new art gallery as part of the Blenheim Riverside Precinct project.	$2.1

Emerging Issues and Expected Changes

- The Heritage and Arts sectors are under stress due to limited funding sources and a need to invest in new technology, update collections and collection practices, and cope with the increasingly diverse forms of arts being practised in Marlborough. There is also a desire in the sector for the expansion of museum facilities and to provide a greater level of trained professionals in the local industry.
- Council recognises the importance of heritage and art to Marlborough and will assist organisations in accessing resources to increase support beyond the current levels with assistance from other funding organisations.
- Council's relationships with its partners in the heritage and arts sectors will remain its most important resource in delivering this Activity.
- New art gallery in Blenheim as part of the library development and Blenheim Riverside Precinct project.

Levels of Service 2015-25: Culture and Heritage

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
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".	6.9	6.9	6.9	6.9	6.9
Manage Council's arts and heritage grants and third party providers to ensure service quality and value.	% of grants administered, allocated and accounted for within timeframes.	100%	100%	100%	100%	100%
	% of achievement of reporting requirements.	95%	95%	95%	95%	95%
	% of contract requirements are met.	100%	100%	100%	100%	100%

People

Funding Impact Statement for 2015-25 Culture and Heritage	AP 2014-15	2015.16	2016.17	2017.18	2018.19	2019.20	2020.21	2021.22	2022.23	2023.24	2024.25
	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	578	711	808	886	984	998	992	997	1,002	1,008	1,013
Other receipts	59	70	76	80	85	83	80	78	75	72	70
Total operating funding	637	781	884	966	1,069	1,081	1,072	1,075	1,077	1,080	1,083
Applications of operating funding											
Payments to staff and suppliers	25	3	3	3	3	4	4	4	4	4	4
Finance costs	1	-	-	75	148	144	140	136	131	126	121
Internal charges and overheads applied	17	67	69	70	71	72	73	75	76	78	80
Other operating funding applications	599	706	806	786	786	786	786	786	786	786	786
Total applications of operating funding	642	776	878	934	1,008	1,006	1,003	1,001	997	994	991
Surplus (deficit) of operating funding	(5)	5	6	32	61	75	69	74	80	86	92
Sources of capital funding											
Increase (decrease) in debt	-	-	-	2,100	-	-	-	-	-	-	-
Total sources of capital funding	-	-	-	2,100	-	-	-	-	-	-	-
Applications of capital funding											
Capital expenditure to improve the level of service	50	-	-	-	-	-	-	-	-	-	-
Capital expenditure to replace existing assets		-	-	2,152	-	11	-	-	-	-	-
Increase (decrease) in reserves	(55)	5	6	(20)	61	64	69	74	80	86	92
Total applications of capital funding	(5)	5	6	2,132	61	75	69	74	80	86	92
Surplus (deficit) of capital funding	5	(5)	(6)	(32)	(61)	(75)	(69)	(74)	(80)	(86)	(92)
Funding balance	-	-	-	0	-	-	-	-	-	-	-
Reconciliation											
Total applications of operating funding	642	776	878	934	1,008	1,006	1,003	1,001	997	994	991
plus - Depreciation and amortisation	5	5	6	17	27	28	29	30	31	32	33
Expenditure as per Income Statement	647	781	884	951	1,035	1,034	1,032	1,031	1,028	1,026	1,024
Operating expenditure											
Arts	250	386	487	572	654	651	649	646	643	640	637
Heritage	397	395	396	379	381	382	383	384	384	385	386
Capital expenditure:											
Arts	-	-	-	2,100	-	-	-	-	-	-	-
Heritage	50	-	-	52	-	11	-	-	-	-	-

Activity: Community Housing

Activity: Community Housing

Operating costs of this Activity represents approximately 1.3% of total Activity expenditure.

How this Activity Contributes to Related Community Outcomes

This Activity contributes to the Community Outcomes of Governance, People, Mobility and Living by:

Outcome	Sub-outcome	Major linkages	Secondary linkages
Governance	Transparent	Involvement of community representative on the Housing for the Elderly Sub-Committee.	-
People	Diversity	Ensuring the provision of affordable housing for older adults within Council policy parameters.	-
Mobility	Safe	Community housing provides safe environment for elderly residents to live.	-
Living	Access to quality housing Individual safety Health	Ensuring Council supplied housing meets the needs of future residents.	Ensuring future tenants meet the criteria of Council requirements.

What is this Activity About?

This Activity involves Council considering ways and means by which it can assist the people of Marlborough to have access to housing suitable to their needs. Council considers the most effective means of discharging this responsibility to be providing an option for elderly people to access appropriate and affordable housing, and to advocate and facilitate other housing options.

Council will continue to implement the maintenance plans for the Housing for the Elderly units to ensure a minimum living standard. The age and difficulty in maintaining these units is a long term issue.

Council has an advocacy and facilitation role beyond the current provision of Housing for the Elderly. Council will continue to work closely with Housing New Zealand and the Marlborough Sustainable Housing Trust to attract more funding and provision of housing options for the Marlborough community.

Policy on Social Housing

Council will own and maintain a stock of housing, for the purpose of assisting elderly people to have access to housing they could not otherwise afford.

Principles and Criteria

Council resources for the provision of housing assistance are limited, and therefore applications will be assessed according to the following principles and criteria:

1. To prioritise clients according to prevailing demand.

   Given the current and projected demographic profile of the District, the prevailing demand for assistance with affordable housing is considered to lie with older people. Priority will therefore be given to people over age 65. Prevailing demand will be reassessed periodically.

2. To focus assistance on those with low incomes.

   The threshold for access to Council housing will be reviewed periodically, and will be based on a combined assessment of household income and assets.

3. To provide for needs not met by other providers.

   Council considers itself to be the housing option of last resort. Applicants must be able to demonstrate that their housing needs cannot be met from alternative sources.

4. To match applicants with housing suited to their needs.

   Within a limited portfolio, the type of housing that may be available at any time may not be suited to the specific needs of an applicant. This may require applicants to be waitlisted until suitable housing becomes available. Suitable housing is housing that is appropriate to household size, is proximate to essential services, and is located within a neighbourhood and community context that will foster integration and participation.

Rents

Rents are set at a rate less than market rental value, with annual reviews linked to Consumer Price Index (CPI) and Guaranteed Retirement Income (GRI) adjustments. Rents are also reviewed with major remodelling or new builds.

Governance

The Housing Policy will be administered by the Council's Housing for the Elderly Sub-Committee. Day to day administration of the portfolio, including assessing

applications, will be provided by the Council's property managers, according to this policy and to the provisions of the Housing Asset Management Plan.

Major Budgeted Capital Projects

The table outlines the major budgeted projects and areas of expenditure proposed for this Activity over the next 10 years. Although these items are budgeted, in some cases further public consultation will be required with the relevant community before the project is implemented. These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of this Activity section.

Asset	Major Capital Projects	Inflated value (Millions)
Housing	2015-25 Redevelopment and upgrading of a number of Housing for the Elderly units.	$2.3

Emerging Issues and Expected Changes

The following issues are emerging within this Activity:

- Age of units.
- Increasing proportion of elderly population in Marlborough.
- Fixed incomes of many tenants.
- Rents below market levels.
- Increasing maintenance costs.
- Increase in demand for current units and demand for Council to build more units.
- Increase in use of mobility scooters and secure storage of them – to be considered if developing new complexes.
- Damage caused by tenants smoking inside or in nearby vicinity- Implementing a full smoking ban inside and outside the units to preserve life of units and decrease costs involved to renovate after smoke damaged.

Currently the housing is of reasonable quality but due to some units being old and some on unstable land there is a need to undertake redevelopment and upgrading of a number of units. Council agreed to a comprehensive budget in the 2014-15 Annual Plan.

Levels of Service 2015-25: Community Housing

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
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".	7.1	7.1	7.1	7.1	7.1
	Tenant satisfaction with this service as measured by survey, where 10 = "service delivered extremely well".	8	8	8	8	8
Provide up-to-date record of Occupancy levels.	Minimum occupancy in units to be maintained.	98%	98%	98%	98%	98%
Provide community housing reactive maintenance service in two categories.	**Urgent Unplanned Maintenance**[1] – Percentage of unplanned maintenance completed within 24 hours of notification.	98%	98%	98%	98%	98%
	Non-Urgent Unplanned Maintenance[2] **-** Percentage of unplanned non-urgent maintenance completed within 20 working days of notification.	90%	90%	90%	90%	90%
Provide an annual checklist of planned maintenance/projects as set out in budget and from Committee meetings.	Percentage of planned maintenance/projects completed in financial year.	70%	70%	72%	74%	75%

[1] Urgent unplanned maintenance is for events that would make the unit unliveable if left for an extended period.

[2] Non urgent unplanned maintenance is for events that do not pose a risk to the tenant if not dealt with straight away but does need to be dealt with in the near future.

People

Funding Impact Statement for 2015-25 Community Housing	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
Sources of operating funding											
Other receipts including property rentals	1,155	1,126	1,165	1,188	1,211	1,248	1,279	1,331	1,380	1,426	1,473
Total operating funding	1,155	1,126	1,165	1,188	1,211	1,248	1,279	1,331	1,380	1,426	1,473
Applications of operating funding											
Payments to staff and suppliers	1,113	801	855	879	913	990	891	911	934	829	956
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	46	150	149	154	157	159	162	167	172	177	182
Other operating funding applications	18	13	17	18	18	19	19	20	21	21	22
Total applications of operating funding	1,177	964	1,021	1,051	1,088	1,168	1,072	1,098	1,127	1,027	1,160
Surplus (deficit) of operating funding	(22)	162	144	137	123	80	207	233	253	399	313
Sources of capital funding											
Increase (decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	-	-	-	-	-	-	-	-	-	-	-
Applications of capital funding											
Capital expenditure to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure to improve the level of service	-	150	-	-	-	-	-	-	-	-	-
Capital expenditure to replace existing assets	533	533	170	-	-	-	190	394	407	212	219
Increase (decrease) in reserves	(555)	(521)	(26)	137	123	80	17	(161)	(154)	187	94
Total applications of capital funding	(22)	162	144	137	123	80	207	233	253	399	313
Surplus (deficit) of capital funding	22	(162)	(144)	(137)	(123)	(80)	(207)	(233)	(253)	(399)	(313)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Reconciliation											
Total applications of operating funding	1,177	964	1,021	1,051	1,088	1,168	1,072	1,098	1,127	1,027	1,160
plus - Depreciation and amortisation	274	262	288	295	304	313	325	339	356	373	392
plus - Loss on sale of fixed assets	-	-	-	-	-	-	-	-	-	-	-
Expenditure as per Income Statement	1,451	1,226	1,310	1,346	1,392	1,481	1,398	1,437	1,482	1,400	1,552

Activity: Community Support

Activity: Community Support

Operating costs of this Activity represent approximately 1.4% of total Activity expenditure.

How this Activity Contributes to Related Community Outcomes

This Activity contributes to the Community Outcomes of Governance, Environment, People, Mobility and Living as follows:

Outcome	Sub-outcome	Major contribution	Secondary contribution
Community support and development			
Governance	Inclusive Enabling Participative Transparent Strategic Connected	The people of Marlborough want to be assured that their community aspirations and essential services are being supported and appropriately responded to. Council's Youth Council and Older Persons Forum encourage participation of these groups in Council and other agencies.	Access to funding for services. Understanding the process to access funding. Provision of essential services.
People	Education Life long learning Diversity Flexibility Creativity Tolerance Engaged and participative	Participation in the Youth Forum and Older Persons Forum supports this cohorts contribution to the community.	Capacity of the volunteer sector is supported.
Community Safety (Safer Communities and Security)			
Governance	Inclusive Enabling Participative Transparent Strategic Connected	World Health Organisation Safe Communities accreditation has brought multiple agencies together to improve safety for all in Marlborough.	CPTED street intensive programmes encourage residents to become involved in improving their environment and to engage with other groups in the community.
People	Education Life long learning Diversity Flexibility Creativity Tolerance Engaged and participative		CPTED street intensive programmes encourage residents to become involved in improving their environment and to engage with other groups in the community. Restorative Justice provides the opportunity for victims to have their say in the justice system. World Health Organisation Safe Communities accreditation has brought multiple agencies together to improve safety for all in Marlborough.
Mobility	Safe	Improved CCTV in Blenheim and Picton supports safe mobility of people in these towns.	-
Living	Health	The people of Marlborough want to be	

Outcome	Sub-outcome	Major contribution	Secondary contribution
	Individual safety Cultural facilities and events Sport and recreation Opportunities for participation Social cohesion	assured that the community they live in is safe.	
Events management			
Living	Health Individual safety Cultural facilities and events Sport and recreation Opportunities for participation Social cohesion	The people of Marlborough want to be assured that events are provided that reflect the diversity of the community and allow access for all. Events that are fun and provide opportunities to celebrate community.	Enabling events that are fun, family friendly, affordable and promote community connection and pride.
Passenger transport and mobility scheme			
Mobility	Local accessibility Sustainable Safe	Passenger transport is a fundamental service that connects people to services and activities for better quality of life.	-
Living	Opportunities for participation	The Total Mobility scheme assists people with impairments to access appropriate transport to enhance their community participation.	
Energy efficiency			
Environment	Sustainable resource management	To encourage the uptake of energy efficient products in the home.	
Living	Health	Helping people to make their homes warm or heat their water whilst using less energy.	

What is this Activity About?

Community support is provided by Council in a number of ways including via third parties: organisations and agencies working with particular groups within the community, provision of funding, advocacy or addressing specific issues directly through service provision. This Activity combines a number of distinct ways Council are involved in supporting their community:

Community Support and Development

Strengthening community cohesion, supporting social networks recognising the value and needs of older people and providing a positive environment for the development of our young people.

Council acknowledges the needs of specific sectors in our community including our older people and youth. Council has worked in partnership with key organisations to establish the Positive Ageing Accord to identify the aspirations of this sector and actions to take place to achieve these. Monthly Older Persons Forums are held to give a voice to the sector and enable issues to be raised and addressed.

Similarly Council has a Youth Policy and Youth Initiatives Plan that works towards achieving a better environment and services for this sector and active input from youth. This includes making progress towards the Mayoral Task Force goal of “that all young people under the age of 25 should be engaged in appropriate education, training, work or other options which will lead to long term economic independence and wellbeing”. Monthly Youth Council meetings are held to provide a voice for youth and to take effect of the Policy and Plan which provides direction for the allocation of Council’s Youth Funding.

The volunteer sector including non-government (NGO) and not-for-profit (NFP) organisations, underpins much of the service delivery of community services in Marlborough.

Advocating the needs of the sector is an ongoing issue particularly given the changes being experienced in the age and ethnicity of the community. Relationships are being made with key organisations to build the capacity of the sector through provision of training and support.

Council also assists through provision of community grants with set criteria to target needs in the community. Relationships with other funding providers are maintained to try and maximise the funds available:

- The contestable grant provides one-off funding for not-for-profit organisations providing essential services in the Marlborough community, supporting community welfare, social services, environment and/or sports and recreation.
- Council contracts the Youth Trust to deliver youth services and Volunteer Marlborough to build the capacity of the voluntary sector through training.

Safer Communities

Community safety has been identified as one of the main components of the community outcome of "living". Council has reviewed its role in community safety and has resolved to commit to longer term arrangements with police and Central Government as they become available. Within Council's Safer Communities Marlborough section, a number of projects operate all of which contribute to community wellbeing using a variety of social, situational and tertiary crime prevention approaches to support the New Zealand Crime Reduction Strategy.

Significant positive outcomes are provided to the Marlborough community at very low direct cost to the Council. The majority of this area is self-funding via Government grants.

Security

The security camera network in the Blenheim and Picton CBD is managed by the Support Services Department of Council and is funded by rates.

Events Management

Providing (via contract) free community festivals and events for Marlburians to enjoy and to attract visitors to the District.

Provision of community based events makes a contribution to the wellbeing of the community as well as to the cultural identity, physical activity and social cohesion. Events have a role to play in attracting visitors to Marlborough along with showcasing and promoting the area. This activity is delivered by the Marlborough Festival and Events Trust and Go Marlborough under contract for provision of specific events.

Marlborough Festivals and Events Trust and Go Marlborough deliver a range of events including the summer concert series, Blenheim Christmas parade, senior citizens concerts, Christmas festival, Southern Jam youth festival, Children's theatre and New Year celebrations. These events attract up to 5,000 attendees per event. The Trust also maintains the calendar of events and events guide.

Passenger Transport and Mobility Scheme

Providing transport options for our community, including those with mobility issues to help access key services.

Passenger transport is a fundamental service that connects people to services and activities for better quality of life. Maintaining an affordable, accessible service within funding constraints that meets community need is an ongoing challenge. Council currently operates an urban bus service in Blenheim and a District wide mobility scheme for the disabled. Expansion of service delivery will be investigated and implemented within available funding where verification of the demand can be established.

Energy Efficiency

Facilitation of Central Government objectives of promoting energy efficiency, energy conservation, and the use of renewable energy resources.

Council is offering an energy efficiency funding service to ratepayers for:

- An approved home insulation solution (Home Insulation).
- An approved solar water heating solution (Solar Water Heating).

For these services Council will provide funding for the cost of an approved solution which will be recovered over nine years through a targeted homeowner property rate. The rates recovery amount will also include interest, an administration charge and GST on all costs. This is a voluntary targeted rate and is cost neutral to Council

Major Budgeted Capital Projects

The table outlines the major budgeted projects and areas of expenditure proposed for this Activity over the next 10 years. Although these items are budgeted, in some cases further public consultation will be required with the relevant community before the project is implemented. These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of this Activity section.

Asset	Major Capital Projects	Inflated value (Millions)
Bus shelters	2015-16 Construction of a bus shelter at Blenheim Railway Station.	$0.3
	2015-25 Provision for construction of three additional bus shelters per year to meet Levels of Service.	$0.2

Emerging Issues and Expected Changes

The changing age structure of the Marlborough community will pose some challenges for future infrastructure and delivery of services. In the coming years our community is going to be "older" – 2013 Census shows 20.5% of the population was over 65 and expected to increase to almost a third of the population by 2026. The other significant change anticipated is an increase in the ethnic diversity of the Marlborough community. It is already apparent that ethnic and cultural diversity will be an increasingly prominent feature of the population.

These changes to the composition to the community have major implications for planning of Council and non-Council services – they affect for example the demand for and delivery of health and education services, along with housing, transport (including passenger transport and mobility) and recreation. They have implications for the labour market, and the demand for a wide range of goods and services. Delivery of community based services is also affected by the changes experienced in the community. Volunteer input is an enormously valuable community resource. Support is needed to build the capacity of the sector to ensure services continue to be provided that reflect the changing needs of the community.

For Energy Efficiency, applications for the Heat Smart programme closed in September 2013 following the Government's (EECA) programme ceasing grants to the wider community. Council is now offering a Home Insulation programme on a similar basis but without an EECA grant to the ratepayer. In addition Council has recently initiated a Solar Water Heating programme. These are voluntary targeted rates and are cost neutral to Council. The budget assumes providing similar levels of energy efficiency services, however demand may reduce without the EECA grants.

For Events Management, the main challenge is to keep events relevant and interesting in times of changing population demographics. This includes challenges for the providers to achieve funding from other sources to maximise the events at a time when there is significant pressure on these sources from the community sector. Sponsorship is also less available from the business sector.

Safer Communities Marlborough has always operated in an environment of potential change with the majority of funding provided by central government for each of the individual projects.

Levels of Service 2015-25 - Community Support

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
Provide an overall level of service that meets or exceeds residents' expectations (excludes Passenger transport).	Resident satisfaction with this service as measured by survey, where 10 = "service delivered extremely well".					
	• Community Support.	7.2	7.2	7.2	7.2	7.2
	• Community Safety	7.3	7.3	7.3	7.3	7.3
	• Events Management.	7.1	7.1	7.1	7.1	7.1
Manage Council's community grants and third party providers to ensure service quality and value.	% of grants administered, allocated and accounted for within timeframes.	100%	100%	100%	100%	100%
	Achievement of reporting requirements.	95%	95%	95%	95%	95%
	Contract requirements met.	100%	100%	100%	100%	100%
Manage third party providers to ensure service quality and value of community events.	Achievement of reporting requirements.	100%	100%	100%	100%	100%
	Participation numbers match targets in contracts.	100%	≥95%	≥95%	≥95%	≥95%
Implement the Positive Ageing Accord.	Number of Older Persons Forums held annually with attendance exceeding quorum.	10	10	10	10	10
	Frequency of Seniors Expo.	Biennial Seniors Expo	Senior Expo Held	N/A	Senior Expo Held	every two years thereafter
	% of actions in Positive Ageing Accord Plan completed each year.	New measure	95%	95%	95%	95%
Implement Youth Initiatives Plan.	Number of Youth Forums held annually with attendance exceeding quorum.	10	10	10	10	10
	% of actions in Youth Initiatives Plan completed each year.	95%	95%	95%	95%	95%
Build capacity of the Volunteer Sector through provision of training in partnership with key service providers.	Number of training courses provided per annum where attendance numbers meet targets.	3	3	3	3	3
Provide quality service that meets and exceeds the expectations of the funding ministries and thus providing quality service to the community.	Ensure contract reports are completed within timeframes.	100%	100%	100%	100%	100%
	% of compliance with Ministry of Justice contract conditions met.	100%	100%	100%	100%	100%
	Monitor and manage services to agreed timeframes and budgets.	100%	100%	100%	100%	100%

Levels of Service 2015-25 - Community Support

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
Provide a well-used and affordable bus service in Blenheim that is timely and responsive to community needs.	Increase levels of customer patronage by 3% per annum (total patronage for 2013-14 year was 26,498).	26,498	3%> previous year	3%> previous year	3%> previous year	3%> previous year
	Complete annual passenger survey and reports results to Council by 30 June each year.	New measure	30 June	30 June	30 June	30 June
	Improve infrastructure to support bus service by adding a minimum of three bus shelters per year (as funding allows).	12 shelters	3 extra	3 extra	3 extra	3 extra

People

Funding Impact Statement for 2015-25 Community Support	AP 2014-15	2015.16	2016.17	2017.18	2018.19	2019.20	2020.21	2021.22	2022.23	2023.24	2024.25
	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	849	860	903	912	930	954	965	989	1,012	1,025	1,047
Targeted rates	120	137	162	187	214	232	162	133	100	78	53
Subsidies and grants for operating purposes	305	326	334	329	341	365	359	373	401	397	414
Fees and charges	51	18	18	18	19	19	20	21	21	22	23
Other receipts	78	92	121	119	118	119	118	119	119	118	118
Total operating funding	1,403	1,433	1,538	1,565	1,622	1,689	1,624	1,635	1,653	1,640	1,655
Applications of operating funding											
Payments to staff and suppliers	937	873	881	901	872	839	807	833	855	877	909
Internal charges and overheads applied	148	188	193	197	199	198	202	206	211	217	223
Finance costs	-	11	21	21	20	20	19	18	17	17	16
Other operating funding applications	460	416	440	417	418	443	421	422	447	425	426
Total applications of operating funding	1,545	1,488	1,535	1,536	1,509	1,500	1,449	1,479	1,530	1,536	1,574
Surplus (deficit) of operating funding	(142)	(55)	3	29	113	189	175	156	123	104	81
Sources of capital funding											
Increase (decrease) in debt	-	310	-	-	-	-	-	-	-	-	-
Subsidies and grants for capital expenditure	-	10	10	10	11	11	11	11	12	12	13
Total sources of capital funding	-	320	10	10	11	11	11	11	12	12	13
Applications of capital funding											
Capital expenditure to improve the level of service	12	-	-	-	-	-	-	-	-	-	-
Capital expenditure to replace existing assets	-	320	20	21	22	22	23	23	24	25	26
Increase (decrease) in reserves	(154)	(55)	(7)	18	102	178	163	144	111	91	68
Total applications of capital funding	(142)	265	13	39	124	200	186	167	135	116	94
Surplus (deficit) of capital funding	(142)	55	(3)	(29)	(113)	(189)	(175)	(156)	(123)	(104)	(81)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Reconciliation											
Total applications of operating funding	1,545	1,488	1,535	1,536	1,509	1,500	1,449	1,479	1,530	1,536	1,574
plus - Depreciation and amortisation	2	4	4	5	5	5	6	6	6	7	7
Expenditure as per Income Statement	1,547	1,492	1,539	1,541	1,514	1,505	1,455	1,485	1,536	1,543	1,581
Operating expenditure											
Grants and Donations	511	481	483	485	486	487	489	491	493	496	498
Safer Communities	144	150	142	146	149	152	156	160	164	169	174
Security	97	97	97	97	98	98	98	98	99	99	100
Events Management	174	174	178	182	185	189	193	197	202	207	213
Energy Efficiency	206	156	156	156	104	52	2	2	2	2	2
Recreation	74	69	70	72	73	74	76	78	80	82	84
Passenger transport	341	365	414	404	419	454	441	459	497	487	510
Capital expenditure:											
Passenger transport	12	320	20	21	22	22	23	23	24	25	26

Activity: Library Services

Activity: Library Services

Operating costs of this Activity represents approximately 2.4% of total Activity expenditure.

How this Activity Contributes to Related Community Outcomes

This activity contributes to the Community Outcomes of Governance, People, Mobility and Living by:

Outcome	Sub-outcome	Major linkages	Secondary linkages
Governance	Inclusive Enabling Participative Transparent	-	Libraries and library staff assist members of the community to participate in Central and Local Government issues via free internet access to consultation documents/papers, displays and brochures.
	Strategic	-	Marlborough District Libraries are part of the Kotui Library Management System Consortia and the District Libraries Manager is a member of the Association of Public Library Managers. Both of these activities provide access and allow input to national organisations and initiatives.
People	Education Life long learning Diversity Creativity	Expertise, resources, (including access to national resources via the Interloan service), developing digital information literacy (eg; Any Questions/Many Answers), Library facilities and programmes are available to everyone, of which the majority are free of charge.	-
	Engaged and participative	Library services are free to all residents of Marlborough	Library members, visitors and tourists to the District can use many of the services offer by the libraries
Economy	International connections Ability to connect	-	Provide internet services for the overseas workforce to keep in touch with family at home.
Mobility	Local accessibility	School/Community libraries provided throughout the district.	
Living	Individual health	Provides a collection of self-help books (SMART) that are promoted by medical practitioners	Displays used to promote topical issues eg; Get Ready Get Through campaign.
	Opportunities for participation Social cohesion	Access to the internet, resources, programmes (eg; BookChat) and tutorials (eg; e-Book training, Stepping-Up computer courses)	-

What is this Activity About?

This activity involves providing the community with a professional library service. The purpose of the library is to help customers help themselves, by encouraging a joy of reading and the pursuit of knowledge, through the provision of a wide range of current resources in various formats, computers, and educational programmes, in a safe and

accessible environment. Library services are consistently rated one of the highest Council provided service in the annual Resident's Satisfaction Survey.

The Council provides library services to all Marlborough residents through a network of library facilities. These comprise a District Library in Blenheim and a Branch Library in Picton (a combined Library and Council Service Centre) which are open seven days. Council also supports school based community libraries in Ward, Havelock, Rai Valley and Waitaria Bay, along with a community library in Renwick.

All age groups are catered for - from birth (through the "Bookstart" programme offered to every mother with a new baby born in Marlborough) to senior citizens (some of whom are confined to their own home and make use of the housebound service).

The promotion of books, literature and literacy is the main focus of library services to children across the District. Programmes include the Summer and Winter Reading Programmes, along with Picton's project 'Library on Wheels', which aims to take the library into the community by regular visiting local schools and preschools.

As well as providing comprehensive book collections for informational and recreational use, assistance and support is available for those seeking information or needing access to, or help with, computer hardware, software (eg. MS Office), electronic resources or the World Wide Web. Free internet and Wi-fi access is provided to all library visitors through the Aotearoa People's Network Kaharoa with a maximum 25% contribution from Council.

Asset Description

To undertake this Activity, the following assets are held:

Marlborough District Library, Blenheim

The Marlborough District Library was opened in 1989. Since that time, the library has seen patronage and issues increase. The library requires extra space that the current building cannot provide. It is proposed that a new library be built by 2019.

In 2013-14 408,115 items were issued. Its central location has proven popular as a central meeting place for those visiting the CBD. As the collection has expanded, free space has become a premium.

Picton Library and Service Centre

The Picton Library and Service Centre became a combined facility in 1998. It is located in part of a Council owned building built in the 1970's. As a combined facility it provides access to library resources, as well as Council information and services. There is a severe shortage of space at Picton Library and Service Centre and Council is proposing that a new facility be built by 2019.

In 2013-14, 59,361 items were issued. As a combined Council facility there is little space available to encourage class visits, children's holiday activities and groups of adults to meet within the library.

Collections

The libraries' collection consists of over 123,000 physical items with current value estimated at $3.9 million, covering a wide range of general interest and popular titles, both fiction and non-fiction, pre-school and children's titles, large print, local history, bicultural, along with non-book resources. The Collection Development Policy identifies how the collections will be maintained and developed to meet the needs of a growing and diverse population.

The comprehensive book collections are complimented by providing access to authoritative electronic databases, national online catalogues and websites, including access to national and international newspapers, along with the World Wide Web.

The Marlborough District Libraries' catalogue is also available on-line, providing 24/7 access to the libraries holdings. Non-book resources include music CDs, sheet music, DVDs, talking books in various formats, magazines and jigsaw puzzles.

In addition, downloadable e-Books and e-audio books are also available to library members. This service is now offered through two consortia - OverDrive Digital Library and Bolinda BorrowBox. These companies allow library customers to download e-Books and audio books. Titles include fiction and non-fiction items for adults, young adults and children, with regular additions of new material.

IT

The library management and searching system (catalogue) is part of a New Zealand wide Public Library Consortium called Kotui.

The Library management system provides the day to day control of the collection. The on-line catalogue can be accessed 24/7 and allows members to self-manage the items they have out on loan and reserve items they wish to borrow. Members with email addresses receive a reminder email three days prior to their items being due.

The Aotearoa Peoples Network Kaharoa is a managed network separate from Council and provided by the National Library of New Zealand. The new Library Management System, Kotui, is supported through this same framework.

Systems Thinking

The library service has adopted the Vanguard Method of systems thinking to find out what matters to the customers and improve the services delivered to them.

This on-going work will help guide library staff as they prepare for future development of facilities and services.

Major Budgeted Capital Projects

The table outlines the major budgeted projects and areas of expenditure proposed for this Activity over the next 10 years. Although these items are budgeted, in some cases further public consultation will be required with the relevant community before the project is implemented. These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of this Activity section.

Asset	Major Capital Projects	Inflated value (Millions)
Libraries	2015-17 New Blenheim library as part of the Blenheim Riverside Precinct project. The total project cost is estimated at $24.3M and is spread over several Council Activities: • 2014-15 $4M for site purchase and technical investigation included under Library Activity; • 2015-16 $1.5M for preparing old Civic Theatre for sale, included in Council's commercial property investment portfolio; and • 2015-18 $2M for landscaping included under Roading Activity; and • 2017-18 $2.1M for construction of new art gallery included under.	$14.7
	2016-19 New Picton library.	$6.3

Emerging Issues and Expected Changes

The major challenge facing Library Services in both libraries is the lack of space for collections and library users, especially class visits and regular meetings. Council has recognised the inadequacies of both facilities and is looking at options to update and expand them to meet the needs of the users and the community. Council's urban design strategies have reinforced the need for improved facilities in both Blenheim and Picton. Council is budgeting to expand/replace these libraries from 2015-19. This project is partially funded from the Forest Park Reserve and the sale of the old library buildings.

Levels of Service 2015-25: Library Services

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
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".	8.1	8.1	8.1	8.1	8.1
Provide a range of current resources supporting the tastes, interests and reading levels of users.	Average age of resources.	10 years or less	<10 years	<10 years	<10 years	<10 years
	Frequency of items being taken out (turnover rate).	4 times per year	4 times per year	4 times per year	4 times per year	4 times per year
	Average number of overdue items not returned 28 days after the due date each month.	185 items	<185 items	<185 items	<185 items	<185 items
Provide a range of programmes or training opportunities that meet or exceed customers' expectations.	Evaluate the satisfaction of courses and programmes offered by the libraries by survey, where 1=Unsatisfactory, 3=Good, and 5=Excellent.	>3	>3	>3	>3	>3
Provide access to information electronically.	Number of e-book and e-audio loaned.	6,600 items	10% increase on baseline	10% increase on baseline	10% increase on baseline	10% increase on baseline

People

Funding Impact Statement for 2015-25 Library Services	AP 2014-15	2015.16	2016.17	2017.18	2018.19	2019.20	2020.21	2021.22	2022.23	2023.24	2024.25
	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	1,499	1,622	1,671	1,902	2,196	2,326	2,242	2,272	2,310	2,348	2,407
Fees and charges	6	6	6	6	6	7	7	7	7	8	8
Other receipts including fines and infringement fees	272	313	313	333	354	364	356	358	360	362	366
Total operating funding	1,777	1,941	1,990	2,241	2,556	2,697	2,605	2,637	2,677	2,718	2,781
Applications of operating funding											
Payments to staff and suppliers	1,065	1,122	1,150	1,176	1,208	1,233	1,264	1,298	1,339	1,374	1,413
Finance costs	-	-	123	461	743	694	572	552	532	526	534
Internal charges and overheads applied	393	490	490	490	490	490	490	490	490	490	490
Total applications of operating funding	1,458	1,612	1,763	2,127	2,441	2,417	2,326	2,340	2,361	2,390	2,437
Surplus (deficit) of operating funding	319	329	227	114	115	280	279	297	316	328	344
Sources of capital funding											
Increase (decrease) in debt	-	-	3,500	6,299	2,155	-	-	-	-	465	457
Gross proceeds from sale of assets	-	-	-	-	-	2,957	-	-	-	-	-
Total sources of capital funding	-	-	3,500	6,299	2,155	2,957	-	-	-	465	457
Applications of capital funding											
Capital expenditure to meet additional demand	-	1,000	3,584	9,974	6,466	-	-	-	-	-	-
Capital expenditure to improve the level of service	3,521	22	24	25	27	29	31	33	37	39	42
Capital expenditure to replace existing assets	238	350	276	277	282	460	336	340	348	426	415
Increase (decrease) in reserves	(3,440)	(1,043)	(157)	(3,863)	(4,505)	2,748	(88)	(76)	(69)	328	344
Total applications of capital funding	319	329	3,727	6,413	2,270	3,237	279	297	316	793	801
Surplus (deficit) of capital funding	(319)	(329)	(227)	(114)	(115)	(280)	(279)	(297)	(316)	(328)	(344)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Reconciliation											
Total applications of operating funding	1,458	1,612	1,763	2,127	2,441	2,417	2,326	2,340	2,361	2,390	2,437
plus - Depreciation and amortisation	317	329	333	337	350	543	574	589	607	615	628
Expenditure as per Income Statement	1,775	1,941	2,095	2,463	2,791	2,960	2,899	2,929	2,968	3,005	3,065

Activity: Emergency Management

Activity: Emergency Management

Operating costs of this Activity represent approximately 0.9% of total Activity expenditure.

How this Activity Contributes to Related Community Outcomes

This Activity contributes to the Community Outcomes of Governance, Environment, People, Economy and Living by:

Column	Sub-attribute	Major linkages	Secondary linkages
Governance	Strategic	Supports the MKRFA as the governance body for rural fire Support CDEM for civil defence	
Environment	Systems of protection and care	Supports the MKRFA to protect the environment from risk of fire	Input into the Marlborough Resource Management Plans
People	Education	People of Marlborough want to be assured that their community is able to respond and recover from emergency events.	Engaging with community groups encouraging general preparedness required to build community resilience.
Economy	Productivity	Business continuity planning is essential for all businesses for their own economic survival and that of their employees.	Engage with business groups to encourage Business continuity planning.
Living	Access to services Health Social cohesion Individual safety	The people of Marlborough want to be assured that in times of adversity systems are in place for a coordinated and timely response.	Continued coordination of Welfare Recovery Group and Readiness and Response Group. Through public education, community will be encouraged to build their own community resilience through being prepared at home and work, supported by CDEM.

What is this Activity About?

Council is a key member of the Marlborough Civil Defence Emergency Management Group (CDEM) with responsibility for the administration and implementation of a Civil Defence Emergency Management Group Plan.

Council is also a key stake holder within the Marlborough Kaikoura Rural Fire Authority (MKRFA) enlarged rural fire district with representation on the MKRFA Board and responsibility for providing operational support for readiness and response for Councils rural fire administration zone.

Amongst other requirements the Plan describes:

- Emergency Management policies and procedures in place to manage the hazards and risks.
- Arrangements for declaring a state of emergency in the area.
- Arrangements for cooperation and coordination with all other Civil Defence Emergency Management Groups.
- The risk profile has been rated identifying hazards, likelihood, consequence and risk rating to be managed by the Group and are prioritised according to risk. The eight most major risks include:
    - Earthquake.

- Human disease epidemic.
- Biological pests and new organisms.
- Flooding.
- Wildfire/rural fire.
- Dam failure.
- Drought.
- Electricity failure.

Marlborough may need to deal with a number of other hazards not mentioned here. The vision and goals of the Marlborough CDEM Plan are:

Vision

Improve the resilience of the region to all foreseeable emergency events through active engagement of communities and the effective integration of support agencies.

Goals

Goal 1. To coordinate efforts to reduce the risk posed by hazards that threaten the life, wellbeing, infrastructure, economic fabric and ecological systems that support the lifestyle of the area.

Goal 2. To improve an awareness of the remaining risks faced by residents and visitors to the region in order to be better prepared for the risks of known hazards.

Goal 3. To enhance the efficiency and effectiveness of all agencies and the community in their response to an emergency through integrated and coordinated effort.

Goal 4. Improve the process of recovery after an event in order to return to normal life as quickly as possible with a minimum of loss and disruption.

Rural Fire

The Council from 2012 surrendered its role as a Rural Fire Authority to the MKRFA which has set policy and ensures fire protection is provided for in the wider Marlborough and Kaikoura District Council areas.

The preparation of fire plans, business plans and all high level administration is the responsibility of the Principal Rural Fire Officer and the MKRFA Committee.

Council provides a member of the Committee alongside representatives of the Department of Conservation, Federated Farmers, Kaikoura District Council, New Zealand Fire Service and an independent. It continues to provide rural fire readiness and response services within the Marlborough South zone.

Preparedness for Major Hazards and Events

- The Marlborough CDEM, of which the Council is a key member, is prepared and capable to respond and recover from a major event such as earthquake and floods. It should be noted that the Council is only one of the organisations that has emergency management responsibilities (others include: DHB, Police, Fire Service, St Johns).
- Response is carried out for the Marlborough District Council by the Emergency Management Group (Group). The Group is well prepared and ready to respond to an event. Exercises are carried out regularly and the Group is actively involved in the Ministry of Civil Defence and Emergency Management 10 year training programme. Our current contact list has been reviewed and updated by the Emergency Management Office.
- An engineering lifeline group has been established to ensure that lifelines in Marlborough are planned to withstand a major event and to ensure that damaged lifelines during an event are repaired as soon as possible.
- Community awareness campaigns are given high priority within the allocated budget provided. The Group has visited many groups and organisations talking about the risk to Marlborough and how to prepare for large emergency events.
- The Emergency Management Office received numerous weather warnings throughout the year 24/7 and staff responded to these appropriately.
- The Group has established a recovery group incorporating Council, Work and Income NZ, Child Youth and Family, Insurance Industry, Chamber of Commerce, Health inspectors to help with planning for the recovery phase of a major emergency event.
- The Groups Civil Defence/Welfare centres are well resourced. The training of volunteers is given high priority.
- A programme is underway to train Council staff to work in an incident control structure and to increase training for welfare and sector groups.
- Buildings below the earthquake standard have been identified and building owners have been advised.
- A new building evaluation plan has been formulated incorporating the lessons learned from the Christchurch event.
- The Council is well prepared for an emergency, however many of our communities still believe it will not happen here. Our Group supports the

national awareness campaign and the Group spends considerable resources each year encouraging residents to prepare for disaster.

Readiness and Response

- A training needs analysis was distributed to all stakeholders including Council staff last financial year. The outcome will be to provide sufficient funding and target the training of individuals most in need and to standards acceptable to the industry.
- Continue running both level 2 and level 4 Coordinated Incident Management System (CIMS) courses.
- Continue to train both Council staff and volunteers at all levels in line with the Integrated Training Framework (ITF).
- Provide public awareness to the residents of Marlborough.
- Continue to integrate the Emergency Management Information System (EMIS) and train both volunteers and Council staff on its application.
- The Group will take an active part in the national exercise training programme.
- The Group will also take an active role in the Get Ready Get Through campaign.
- The Readiness and Response Working Group will meet quarterly.

Emerging Issues and Expected Changes

Possibility of legislative changes following the Canterbury earthquakes may have impacts upon Civil Defence.

The Seddon earthquakes in 2013 proved to be challenging to CDEM in providing vital information into impacted communities. Conventional media sources such as radio proved to be problematic as with a lot of our more remote areas radio coverage is not good. New products are being developed by private companies that on the face of it will go a long way towards rectifying this issue by using satellite technologies alongside and in conjunction with conventional media. With all new emerging technology comes a cost to the end user along with the ongoing cost with providing the service, which will fall on local CDEM. This will be an issue that will need to be addressed as technology comes on-line.

Marlborough's ever increasing ethnic diversity and fluid transient population proves to be a difficult sector to provide adequate understanding around being prepared for any disaster. Many immigrants are coming from cultures that don't have a CDEM organisational structure. Greater emphasis will be placed on the integration of these minority groups along with the Recognised Seasonal Employment programme onto our local welfare community which will act as the conduit for information to these groups.

Marlborough CDEM in conjunction with Police has taken on the administration role of Marlborough Neighbourhood Support (MNS). Over time the intention is to have MNS entwined into the very fabric of our communities' resilience with neighbour supporting neighbour not just in time of emergencies.

This organisation continues to grow with new street coordinators appearing at regular intervals. It is pleasing to see streets taking on the challenge to create safer communities they live in. A regular newsletter is circulated to all members of the MNS which has updates from the individual sectors on what they are doing in their areas.

Greater integration is now occurring with CDEM, Police and Fire speaking to groups who wish to set up a network in their area.

Levels of Service 2015-25: Emergency Management

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
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".	8.0	8.0	8.0	8.0	8.0
Provide a planned, tested capability to respond to major Civil Defence and Emergency Events.	Timeliness of completing the review of the CDEM Group Plan (every five years).	Review completed every five years	Review completed by 30 June 2016	N/A	N/A	2020-21
	Timeliness for the completion of the update to emergency contact plans.	30 June	30 June 2016	30 June 2017	30 June 2018	30 June
	Level of compliance with the 10 year exercise programme for testing the CDEM Plan.	100%	100%	100%	100%	100%
	% compliance with testing programme for radios, sector kits and emergency generator.	100%	100%	100%	100%	100%
As the Marlborough South Zone Manager provide support to the enlarged rural Fire District.	% of registered Rural Fire Force members who have completed the Fire Fighter Unit Standards.	80%	80%	80%	80%	80%
	% of three monthly checks on waterway equipment and vehicles completed.	78%	80%	85%	90%	90%
	Pressure tests are carried out on pumps, hose and waterway equipment biennially.	Tests are completed biennially	N/A	Tests completed	N/A	2018-19 and biennially thereafter
	Timeliness for completion of the annual vehicle maintenance.	Before 20 December	Before 20 December	Before 20 December	Before 20 December	Before 20 December

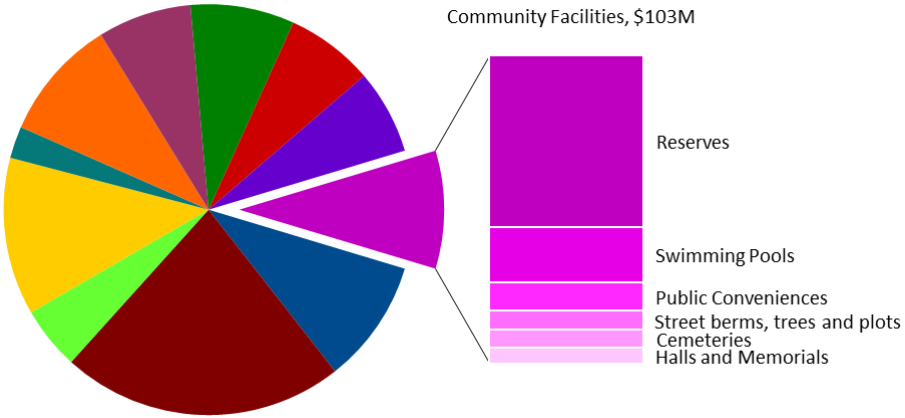
People

Funding Impact Statement for 2015-25 Emergency Management	AP 2014-15	2015.16	2016.17	2017.18	2018.19	2019.20	2020.21	2021.22	2022.23	2023.24	2024.25
	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	639	721	744	788	786	791	835	827	843	877	892
Subsidies and grants for operating purposes	18	18	18	19	19	20	21	21	22	23	24
Other receipts	97	126	126	129	127	127	130	130	131	133	134
Total operating funding	754	865	888	936	932	938	986	978	996	1,033	1,050
Applications of operating funding											
Payments to staff and suppliers	436	516	536	565	565	570	586	603	621	641	662
Internal charges and overheads applied	210	241	240	256	252	253	282	257	257	274	268
Other operating funding applications	71	71	71	71	71	71	71	71	71	71	71
Total applications of operating funding	717	828	847	892	888	894	939	931	949	986	1,001
Surplus (deficit) of operating funding	37	37	41	44	44	44	47	47	47	47	49
Sources of capital funding											
Total sources of capital funding	-	-	-	-	-	-	-	-	-	-	-
Applications of capital funding											
Capital expenditure to replace existing assets	28	28	47	29	30	53	32	33	34	35	37
Increase (decrease) in reserves	9	9	(6)	15	14	(9)	15	14	13	12	12
Total applications of capital funding	37	37	41	44	44	44	47	47	47	47	49
Surplus (deficit) of capital funding	(37)	(37)	(41)	(44)	(44)	(44)	(47)	(47)	(47)	(47)	(49)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Reconciliation											
Total applications of operating funding	717	828	847	892	888	894	939	931	949	986	1,001
plus - Depreciation and amortisation	37	37	41	44	44	44	47	47	46	47	48
Expenditure as per Income Statement	754	865	888	936	932	938	986	978	996	1,032	1,049

Community Facilities

Operating Costs

The operating costs for the Community Facilities Group of Activities represents $103 million of total Council expenditure.



Major Budgeted Capital Projects

The major capital projects for the Community Facilities Group of Activities are:

Sub-Activity	Major Capital Projects	Inflated value (Millions)
Cemeteries	2015-19 Restoration of Picton historic cemetery and ashes retaining wall.	$0.3
Public Conveniences	2015-16 Seymour Square upgrade and disabled accessible.	$0.4
	2017-18 New facility on Seddon Domain.	$0.1
	2015-25 Renewals of public conveniences in Blenheim, Havelock, Picton, Marlborough Sounds, Rai Valley and other rural areas.	$2.0
Halls	2022-23 New Blenheim Youth Centre.	$2.5
	2021-23 New Seddon Community Centre.	$3.6
Reserves	2018-19 Cricket nets and wickets for Horton Park.	$0.4
	2019-20 A&P Park new grandstand and administration complex.	$1.7
	2015-24 redevelopment of Landsdowne Park into a multisport facility, including parking development and stormwater control, field lighting, artificial turf field and relocation of netball courts.	$4.8
	2015-24 Small Township Upgrade project, including quality streetscapes and transport accessibility with safe walking and cycling opportunities.	$5.5
	2015-25 New and improved reserves across Marlborough, subject to land sub-division reserve contributions.	$21.8
Swimming Pools	2015-16 Structural strengthening of Stadium 2000 facility.	$1.3

These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of this Activity section.

Activity Group: Community Facilities

Rationale for the Delivery of the Community Facilities Group of Activities

This Activity is a grouping of several types of community facilities that are mostly delivered within the reserves and amenities department.

Changes to Community Facilities Activity Group from the 2014-15 Annual Plan

There are no changes to this Activities Group.

Intended Changes to Levels of Service from the 2014-15 Annual Plan

The table describes any intended changes to the levels of service within the group from the levels of service displayed in the 2014-15 Annual Plan. The reasons for the intended changes are also described.

2014-15 Annual Plan	2015-25 LTP	Reason for changes
Activity: Community Facilities		
Access to information Provide up to date and relevant information to residents and visitors.	None.	Levels of service reviewed to reflect New Zealand Recreation Association (NZRA). This level of service is not consistent with NZRA measures.
Access to facilities Provide reserves and amenities that are equitably distributed to all.	**Neighbourhood Parks** Provision of Neighbourhood Parks in urban area within walking distance of home, providing play opportunities for all ages, open space and amenity values.	Very similar but to come in line with NZRA national guidelines.
None.	**Public Gardens** Provision of High quality Public Gardens in key locations that provide opportunities for amenity horticultural displays, education and contemplative leisure experiences.	To come in line with NZRA national guidelines.
Access to facilities Provide reserves and amenities that are equitably distributed to all.	**Cultural Heritage** The Protection of specific cultural heritage sites and opportunities to experience and learn about our history.	To come in line with NZRA national guidelines.
None.	**Outdoor Adventure** Recreation activities and built facilities, requiring a large scale non-urban environment.	To come in line with NZRA national guidelines.
None.	**Civic Space** Provision of open space within business/retail areas, with a high level of amenity development and maintenance designed to attract and cater for periodic high levels of use.	To come in line with NZRA national guidelines.
Access to facilities Provide reserves and amenities that are equitably distributed to all.	**Sport & Recreation** To provide and maintain sports field capacity to meet reasonable demand.	To come in line with NZRA national guidelines.

Significant Negative Effects Associated with this Group of Activities

This Activity group may involve the operation of noisy machinery, earthmoving or construction works, which may impact on the environment and can result in temporary disruptions to daily life. Where resource consents are required for these Activities, controls are imposed as appropriate.

Variation Between Long Term Plan and the Assessment of Water and Sanitary Services

There is no significant variation between the adopted assessment of water and sanitary services (i.e. cemeteries and public conveniences) and this Plan.

Activity Group: Community Facilities

Activity: Community Facilities

Activity: Community Facilities

Operating costs of this Activity represent approximately 9.3% of total Activity expenditure.

How this Activity Contributes to Related Community Outcomes

This Activity contributes to the Community Outcomes of Governance, Environment, People, Living and Mobility as follows:

Outcome	Sub-outcome	Major contribution	Secondary contribution
Cemeteries			
Living	Health Cultural facilities and events	Cemeteries are provided for many reasons including cultural, religious, coping with grief. People have a respectful and comforting environment to remember those they have lost.	-
Memorials			
Living	Cultural facilities and events	Society values past history. Contributes towards the commemorative needs of the community.	-
Street Trees and Plots			
Environment	Attractive Control over pollution levels, forms and effect	Trees are valued aesthetically and for their air quality benefits.	-
Halls			
Governance	Enabling	Community halls enable local governance to take place in communities across Marlborough	-
People	Engaged and participative	Meeting places for community groups.	
Living	Cultural facilities and events Sports and recreation Opportunities for participation Social cohesion	Meeting places for community groups.	
Public Conveniences			
Environment	Control over pollution	Public toilets help prevent environmental pollution and benefit public health and comfort. They assist and encourage people to get out and about.	-
Living	Health		
Mobility	Individual safety Local accessibility		
Reserves and Swimming Pools			
Environment	Attractive Sustainable resource management	Reserves, recreation facilities, sports grounds and open spaces all provide opportunities for recreation, relaxation and physical activity. There are also responsibilities to sustain natural and physical resources and manage the environment.	-
Living	Health Cultural facilities and events Sports and recreation Opportunities for participation		

What is this Activity About?

The Council provides, maintains and protects reserves, gardens, trees, lawns, playgrounds other open spaces and amenity facilities that meet the community needs while enhancing people's appreciation of the environment and encouraging active lifestyles.

Community facilities can be categorised as follows:

Activity Group: Community Facilities

Sport and Recreation

Sport and Recreation activity, recreation facilities and buildings, often multiple use

Throughout the Marlborough District Council provides and maintain sports grounds for year round use by residents and visitors for both formal and informal use. The Council endeavours to cater for a wide range of sporting codes.

As a result of the Outdoor Sports Facility Plan several projects are underway including; Lansdowne North is being developed into additional sports fields, specifically for a dedicated softball park. This has required additional funding for the ongoing maintenance.

A Netball location feasibility study is to be completed for the 2015-16 Annual plan to help determine the best location for Netball and the level of investment required to either replace the existing facility at Horton Park or relocated to Lansdowne park.

A lease is in place with Central Rugby Club to allow for the development of additional car parking for Sport users at Lansdowne Park.

The development of the equestrian park at Botham's Bend, a recommendation from the Marlborough Outdoor sports facility plan, is under construction and being managed by the Marlborough Equestrian Society.

The development of Horton Park continues in line with Marlborough Crickets long term development plan.

Council owns and assists with the maintenance of a number of community halls, usually in conjunction with local community groups. With increased awareness of earthquake risk Council is assessing its public buildings for seismic evaluation. Depending on the results additional spending may be required to bring up to Building Act 2004 requirement.

Several community halls have been affected by either the earthquake itself or the government regulations for seismic strengthening. Evaluations continue before a full assessment of budget requirements can be confirmed. The Awatere hall redevelopment will be considered over the next 5 years as the needs of the community are assessed against the financial viability of a remodelled facility.

Neighbourhood Parks

Local, informal recreation, play and amenity space

The provision of reserves and acquisition of new reserves is based on the Council's target of ensuring that all urban households are in walking distance to an open space for leisure activities. Recreation reserve provision includes the management and maintenance of reserve assets including trees, gardens, lawn, structures, outdoor furniture and Council owned buildings.

Sheps Park is now completely open to the public therefore additional maintenance is required to cater for the additional areas to be mown and planted areas to be maintained. Further development is programmed for 2014-15.

The development of a new neighbourhood reserve on Rutledge Drive will begin in 2015-16 as a result of acquisition following Reserves Policy on provision.

Public Gardens

Horticultural collections for relaxation/contemplation, education and/or amenity

Council administers three horticultural amenity reserves being Pollard Park, Seymour Square and Picton Foreshore. Annual displays are the high profile public attraction to these parks.

Nature

Experience and/or protection of the natural environment: native bush, coastal, forestry, farm parks, wetlands and water bodies

The Wither Hills has increasing patronage both on the walking and mountain bike trails. This park services several community needs, primarily soil conversation so a combined management approach across Council is necessary.

Cultural Heritage

Protection of built cultural and historical environment to provide for commemoration, mourning and remembrance

Council provides access to essential cemetery services at an affordable price and in accordance with legislative requirements to protect the public health of the community. Council promotes heritage values through continued planning for and protection of historical and cultural cemetery assets.

A natural burial area is being developed at Fairhall cemetery.

Development of the Omaka cemetery is required as a result of the removal of the Sexton House. This new sites allows for opportunities to explored for the most appropriate use.

Activity Group: Community Facilities

Civic Space

Social and community open space and events

Along with public space within the CBD Council provides public conveniences, the current allocation of public toilets in the CBD is higher than most other towns of a comparable size.

A new pocket park has been developed in the Stadium 2000 car park and this will require additional maintenance budget. Designs are being worked on for an upgrade of Bythell Place. Implementation will require investment.

Council maintains and manages street trees, plots and road berms throughout the District. There is a planting plan to establish 100 new trees per year. This Activity also monitors over hanging growth from private property encroaching onto public footpaths.

Recreation and Ecological Linkages

Open Space, linkages and corridors, water margins

Council currently provides, maintains and manages some 100 kms of reserve based walking and cycle tracks throughout the District which enables people to have safe and unimpeded access to the outdoors for the benefit of physical recreation and enjoyment of the outdoor environment. Council has also provided funding for the Link Pathway project between Picton and Havelock.

The extension of the Grovetown cycleway is planned for 2015-16 year. Plans have been developed to construct further Mountain bike tracks in Picton and works continues on off road cycle trails for winery tours. These plans are shown under the Provision of Roads and Footpaths Group of Activities.

Provision and Maintenance

To ensure these facilities remain at a high standard provision and maintenance is an important role for Council. Maintenance involves litter removal, grass cutting (1,284 hectares) and shrubs, garden, trees and hedge pruning. It also includes the cleaning and upgrading of park furniture, playground equipment, walkways/pathways, carparks, turfs, sports fields and public conveniences. A high standard of maintenance contributes to the safety of these facilities and areas identified as problematic are assessed through a Crime Prevention through Environmental Design (CPTED) audit as well as being regularly maintained.

The provision of reserves and facilities is managed through strategies, plans and policies. Reserve Management Plans assist the operation and development of an area and are created through the Reserves Act 1977. The planning and recording of Council's assets is displayed in the Reserve and Amenities Asset Management Plan. These strategies, plans and policies are updated regularly as areas change and develop and as new assets are acquired. All funding is allocated through the Annual Plan.

Future Direction

Strategies, policies and plans indicate the approach and vision of Council; therefore a robust strategic process is essential. Council has displayed this vision and strategic process in the 'Growing Marlborough' strategies - Blenheim Town Centre, Southern and Northern Marlborough Growth Strategies. Marlborough Outdoor Sports Facilities Plan is also a long term strategic document which provides for the increasing demand for recreational asset capacity in Marlborough. By investing in long term plans and processes Council is able to provide infrastructure and services that provide for Blenheim now and in the future and save costs while still meeting resident expectations in the long term. Council acknowledges these long term benefits and is investigating the provision of artificial surfaces for greater capacity for sports use.

A collaborative approach to shared facilities and resources can also produce wide spread benefits with low costs. It also allows Council to maintain positive relationships with DOC, MoE, sports codes and local communities. The provision for sportsville modelled facilities, District wide facilities and joint funded facilities and projects are being considered by Council.

Asset Description

There are several different types of Assets which are managed by the Reserves section, they can be broken into various categories:

Reserve Category	Number	Land(hectares)
Reserves	265	2,770
Sportsgrounds	21	107
Community Building Reserve Land	32	9
Cemeteries	13	35
Accessways	59	2
Other Reserves (e.g. road reserves and berms)	94	12
Total	**484**	**3,935**

Major Asset Category	Number
Public conveniences	52
Aquatic Facilities	2
Playgrounds/Youth facilities	41

Activity Group: Community Facilities

Major Asset Category	Number
Sports Facilities	571
Bridges, Boardwalks, Structures	1,931
Carpark/roading	148
Walkways and Cycle Routes	215 routes
Park Fixtures	661
Street Trees and Garden Plots	7500

The total asset value for the Community Facilities Activity as at 30 June 2014 is $88.1 million.

Major Budgeted Capital Projects

The table outlines the major budgeted projects and areas of expenditure proposed for this Activity over the next 10 years. Although these items are budgeted, in some cases further public consultation will be required with the relevant community before the project is implemented. These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of this Activity section.

Sub-Activity	Major Capital Projects	Inflated value (Millions)
Cemeteries	2015-19 Restoration of Picton historic cemetery and ashes retaining wall.	$0.3
Public Conveniences	2015-16 Seymour Square upgrade and disabled accessible.	$0.4
	2017-18 New facility on Seddon Domain.	$0.1
	2015-25 Renewals of public conveniences in Blenheim, Havelock, Picton, Marlborough Sounds, Rai Valley and other rural areas.	$2.0
Halls	2022-23 New Blenheim Youth Centre.	$2.5
	2021-23 New Seddon Community Centre.	$3.6
Reserves	2018-19 Cricket nets and wickets for Horton Park.	$0.4
	2019-20 A&P Park new grandstand and administration complex.	$1.7
	2015-24 redevelopment of Landsdowne Park into a multisport facility, including parking development and stormwater control, field lighting, artificial turf field and relocation of netball courts.	$4.8
	2015-24 Small Township Upgrade project, including quality streetscapes and transport accessibility with safe walking and cycling opportunities.	$5.5
	2015-25 New and improved reserves across Marlborough, subject to land sub-division reserve contributions.	$21.8
Swimming Pools	2015-16 Structural strengthening of Stadium 2000 facility.	$1.3

Emerging Issues and Expected Changes

- Ongoing assessment and evaluation of community facilities that require seismic strengthening will be required. Funding will be required for a decision on the facility; either improvement or replacement in consultation with user groups - Athletic Park Grandstand, A&P Park Grand Stand, Awatere Community Hall, Stadium 2000.
- Significantly reduced revenue from the Land Subdivision Account (financial contributions from developers of subdivisions) which funds the Reserves capital works programme, including those resulting from Annual Plan submissions, potential projects from the sports facility plan and urban design projects and community grants. This will mean a significant reduction in the capital spending able to be funded in future years.
- Government's legislation enabling development contributions has changed and could result in less contributions being collected.
- Prioritising, budgeting and implementation of the Growing Marlborough Strategy will be challenging. Council is now considering more detailed plans for lower High Street redevelopment.
- Port Marlborough Pavilion at Endeavour Park and Renwick Pavilion will require ongoing operational grants to ensure their sustainability in the community.
- The Freedom Camping Bylaw review may result in changes to administration of the activity. Public education is an important aspect to control the negative effects associated with the freedom camping. As the Activity and its profile are

increasing nationally, Marlborough will need to put more resources into its management

- Picton proposed indoor swimming pool - while this project is currently viewed as "unaffordable' for the community it will be important for achieving community outcomes to ensure the Queen Charlotte College community pool is accessible and maintained to a standard that caters to the community. This will require continued investment in the current facility.
- Bothams Bend Equestrian park development, while a success story to date of community/Council collaboration, will require close supervision as it develops into a national standard multi Equestrian sport park. Significant future funding may be required to achieve the ultimate design.
- Lansdowne Park redevelopment in to a multisport facility will be a complex process. Early planning in consultation with existing and potential users will be required as will be staged approach to the development. Funding of developments will be reliant on the Land Subdivision Account which may delay progress thereby putting pressure on sports that are expanding at a greater rate than Council can provide facilities for. Other Councils in the country are providing increasingly higher levels of sport field provision. Marlborough is at the risk of falling behind the national provision of sport fields.
- Asset Management Systems and data collection will be enhanced enabling a more planned approach to maintenance renewals and future planning although resourcing the transition will be challenging.
- As part of the Marlborough Outdoor Sports Facility Plan a review of the long term use of Athletic Park will be required. Funding for the repair of the velodrome has been provided.
- The need for a Youth Development Hub has been identified by the Marlborough Youth Trust (MYT) through research undertaken in 2014. MYT are continuing to progress this and see Council as a partner in the development of this facility. Finding the right location and supporting funding will be critical to the success of this project.
- The Growing Marlborough Strategy identified a number of options for upgrading the amenities of smaller towns and to keep them attractive and liveable. A strongly consultative approach was taken and schedules of future urban amenity improvements were developed from this.

Activity Group: Community Facilities

Levels of Service 2015-25: Community Facilities

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
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".	7.7	7.7	7.7	7.7	7.7
Neighbourhood Parks Provision of Neighbourhood Parks in urban area within walking distance of home, providing play opportunities for all ages, open space and amenity values.	That within the urban environment 98% of the area is provided with a Neighbourhood Park which is either 500 metres approximately or ten minutes' walk.	98%	98%	98%	98%	98%
Public Gardens Provision of High quality Public Gardens in key locations that provide opportunities for amenity horticultural displays, education and contemplative leisure experiences.	Three prime areas are allocated and maintained to high horticultural amenity standard. Offering at least five various displays, educational opportunities for the community and contemplative leisure experiences.	Five educational sessions are offered.	5	5	5	5
Cultural Heritage The Protection of specific cultural heritage sites and opportunities to experience and learn about our history.	War Memorial sites are protected, maintained and made available for memorial services.	Sites are available for at least 12 services.	12	12	12	12
	Provision of cemeteries will meet the future interment of the community to provide accessible and appropriate sites for burial.	300 burial sites are available.	300	350	400	450
Outdoor Adventure Recreation activities and built facilities, requiring a large scale non-urban environment.	Provision of opportunities for outdoor adventure based Recreation activities such as walking tracks and mountain bike tracks.	158 kms	158 kms	168 kms	168 kms	178 kms
Civic Space Provision of open space within business/retail areas, with a high level of amenity development and maintenance designed to attract and cater for periodic high levels of use.	Provision and maintenance of central areas eg; Liz Davidson Place, Bythell Place, Stadium 2000 Pocket Park, Riverside Park and London Quay.	At least 12 areas are provided and maintained.	12	12	12	12
	Events are held at the Parks.	Five or more events are held.	5	5	5	5
	Identification and acquisition of identified sites eg; Taylor River, Spring Creek walk way. Esplanade acquisition.	At least four new identified sites were acquired each year.	4	4	4	4

Activity Group: Community Facilities

Levels of Service 2015-25: Community Facilities

Performance Targets (for the financial year)						
Level of Service	**Indicator**	**Baseline**	**2015-16**	**2016-17**	**2017-18**	**2018-25**
Sport and Recreation To provide and maintain sports field capacity to meet reasonable demand. Recreation facilities will be managed to meet the recreation needs of the community or sport code.	Provision of sports facilities meet reasonable demand.	New Measure	85%	85%	85%	85%
	Delivery will achieve at least 85% resident satisfaction.	New Measure	90%	90%	90%	90%

Activity Group: Community Facilities

Funding Impact Statement for 2015-25 Community Facilities	AP 2014-15	2015.16	2016.17	2017.18	2018.19	2019.20	2020.21	2021.22	2022.23	2023.24	2024.25
	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	6,879	7,388	7,603	7,948	8,285	8,716	9,242	9,799	10,259	10,985	11,590
Subsidies and grants for operating purposes	40	45	11	11	11	11	12	12	13	13	13
Fees and charges	143	143	146	150	154	159	163	168	174	180	187
Other receipts	718	767	751	757	754	768	788	809	816	836	848
Total operating funding	7,780	8,343	8,511	8,866	9,204	9,654	10,205	10,788	11,262	12,014	12,638
Applications of operating funding											
Payments to staff and suppliers	6,000	5,429	5,482	5,615	5,724	5,880	6,114	6,328	6,330	6,531	6,677
Finance costs	598	1,573	1,595	1,628	1,657	1,673	1,703	1,739	1,777	1,822	1,865
Internal charges and overheads applied	672	666	774	872	963	1,105	1,240	1,402	1,626	1,892	2,085
Other operating funding applications	191	220	101	101	26	26	26	26	26	26	26
Total applications of operating funding	7,461	7,888	7,952	8,216	8,370	8,684	9,083	9,495	9,759	10,271	10,653
Surplus (deficit) of operating funding	319	455	559	650	834	970	1,122	1,293	1,503	1,743	1,985
Sources of capital funding											
Development and financial contributions	1,102	1,035	1,096	1,222	1,378	1,555	1,298	1,513	1,758	2,040	2,362
Increase (decrease) in debt	125	978	882	929	930	1,661	1,424	1,526	2,422	2,501	1,507
Total sources of capital funding	1,227	2,013	1,978	2,151	2,308	3,216	2,722	3,039	4,180	4,541	3,869
Applications of capital funding											
Capital expenditure to meet additional demand	568	1,088	1,208	1,163	1,312	1,630	1,823	2,724	2,566	2,924	2,544
Capital expenditure to improve the level of service	1,238	3,037	1,309	1,227	1,283	1,663	1,299	2,629	2,289	4,874	2,198
Capital expenditure to replace existing assets	325	442	208	408	475	1,825	301	675	1,166	288	277
Increase (decrease) in reserves	(585)	(2,098)	(187)	3	73	(930)	421	(1,696)	(337)	(1,802)	835
Total applications of capital funding	1,546	2,469	2,538	2,801	3,143	4,188	3,844	4,332	5,684	6,284	5,854
Surplus (deficit) of capital funding	(319)	(456)	(560)	(650)	(835)	(972)	(1,122)	(1,293)	(1,504)	(1,743)	(1,985)
Funding balance	-	(1)	(1)	-	(1)	(2)	-	-	(1)	-	-
Reconciliation											
Total applications of operating funding	7,461	7,888	7,952	8,216	8,370	8,684	9,083	9,495	9,759	10,271	10,653
plus - Depreciation and amortisation	970	994	1,082	1,127	1,177	1,239	1,306	1,387	1,480	1,588	1,696
Expenditure as per Income Statement	8,431	8,882	9,034	9,343	9,547	9,923	10,389	10,882	11,239	11,859	12,349
Operating expenditure											
Cemeteries	482	528	543	557	574	589	598	608	618	629	640
Memorials	95	94	98	100	103	107	110	115	120	124	129
Street berms, trees and plots	526	567	590	604	618	632	649	666	684	703	724
Halls	252	329	289	295	303	310	318	375	523	721	824
Public Conveniences	779	827	875	906	939	966	985	1,006	1,029	1,060	1,091
Reserves	4,606	4,768	4,884	5,109	5,216	5,500	5,907	6,229	6,349	6,671	6,983
Swimming Pools	1,691	1,772	1,758	1,776	1,798	1,823	1,827	1,889	1,922	1,957	1,964

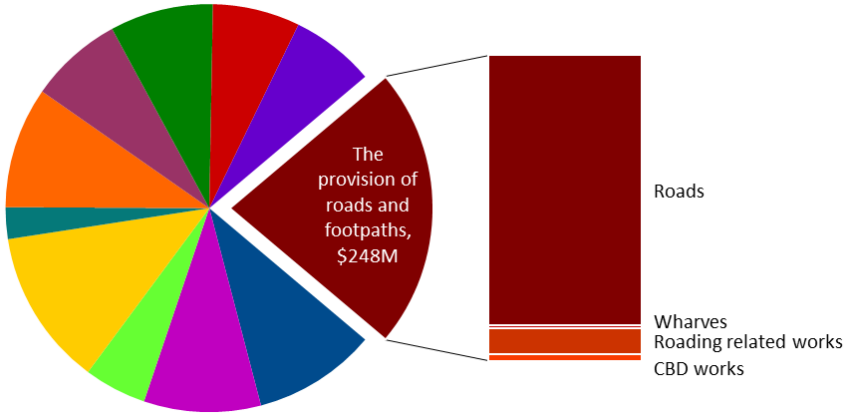
Activity Group: Community Facilities

Funding Impact Statement for 2015-25 Community Facilities	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
Capital expenditure:											
Cemeteries	345	200	184	26	230	17	38	18	34	19	19
Memorials	25	43	8	82	63	142	26	9	10	10	10
Street berms, trees and plots	34	109	34	35	36	37	38	39	40	41	43
Halls	20	20	20	21	22	22	23	1,197	2,446	2,526	26
Public Conveniences	230	525	154	394	269	255	80	205	182	250	188
Reserves	1,477	2,335	2,324	2,214	2,397	4,645	3,105	4,560	3,310	5,239	4,733
Swimming Pools	-	1,335	-	26	54	-	114	-	-	-	-

The Provision of Roads and Footpaths

Operating Costs

The operating costs for The Provision of Roads and Footpaths Group of Activities represents $248 million of total Council expenditure.



Major Budgeted Capital Projects

The major capital projects for the Provision of Roads and Footpaths Group of Activities are:

Sub-Activity	Major Capital Projects	Inflated value (Millions)
General roading	2015-17 Major rehabilitation of Waihopai high productivity motor vehicles (HPMVs) route.	$0.8
	2015-17 Major rehabilitation of Northbank HPMV route.	$4.8
	2016-23 French Pass Road sealed pavement.	$0.5
	2017-18 Northbank Road staircase seal extension.	$1.2
	2017-24 Kenepuru Road sealed pavement.	$0.5
	2015-25 Renewal of existing infrastructure (eg; resealing, rehabilitation, seal widening, metalling etc).	$64.3
Bridges	2015-16 Replacement of Tyntesfield Road bridge.	$0.9
Signs, footpaths, cycle facilities, kerb and channel	2015-16 Picton and Blenheim town entry signage.	$0.5
	2015-25 Renewals and additions of kerb and channels, footpaths, cycle facilities and non-subsidised seal extensions.	$15.4
Blenheim CBD upgrades	2015-16 and 2017-18 Landscaping project leading to the development of new Blenheim library.	$2.0
	2015-25 Surface treatment, lighting and street furniture.	$5.5
Wharves	2015-25 Renewals of existing infrastructure (jetties).	$1.2
Subdivisional works	2015-25 Seal extensions, widening, kerb and channelling as required by subdivisional works.	$1.7

These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of this Activity section.

Group Activity: The Provision of Roads and Footpaths

Rationale for the Delivery of the Provision of Roads and Footpaths Group of Activities

It is mandatory that the provision of roads and footpaths is an Activity Group.

Changes to the Provision of Roads and Footpaths Activity Group from the 2014-15 Annual Plan

There are no changes to this Activity Group.

Intended Changes to Levels of Service from the 2014-15 Annual Plan

The table describes any intended changes to the levels of service within the Group from the levels of service displayed in the 2014-15 Annual Plan. The reasons for the intended changes are also described.

2014-15 Annual Plan	2015-25 LTP	Reason for changes
Activity: Roads and Footpaths		
None.	Respond to service requests.	To reflect new national mandatory performance measure.

Significant Negative Effects Associated with this Group of Activities

This Activity Group may involve the potential for environmental impact or the operation of noisy machinery, earthmoving or construction works, which may impact on the environment and can result in temporary disruptions to daily life. Where resource consents are required for these activities, controls are imposed as appropriate. Vehicle emissions is another potential negative effect associated with this Group of Activities.

Group Activity: The Provision of Roads and Footpaths

Activity: Roads and Footpaths

Activity: Roads and footpaths

Operating costs of this Activity represent approximately 22.2% of total Activity expenditure.

How this Activity Contributes to Related Community Outcomes

This Activity contributes to the Community Outcomes of Environment, Economy, People, Mobility and Living by:

Outcome	Sub-outcome	Major linkages	Secondary linkages
Roads			
Economy	Increasing GDP per FTE Productivity	Roads and the structures, components and services which support them are essential transport links. Their benefits are both economic and social.	A prosperous community and economy.
Mobility	Local and national accessibility Safe Sustainable		
Living	Individual safety Opportunities for participation		
Cycle facilities and Footpaths			
Environment	Control over pollution levels, forms and effects Sustainable resource management	Healthy and sustainable alternative transport modes. Access and mobility for non-drivers.	-
Mobility	Local accessibility Safe Sustainable		
Living	Health Individual safety Sports and recreation Opportunities for participation		
Paved cobbled areas, street furniture			
People	Engaged and participative Opportunities for participation Social cohesion	Community gathering areas should be attractive and enable people to mingle, enjoy the environment and participate in commercial or other town activities.	-
Living	Opportunities for participation Social cohesion		
Street lighting			
Mobility	Local accessibility Safe	Street lights enable safer use of roads, footpaths, public facilities and encourage night time usage.	-
Living	Individual safety		
Wharves			
People	Engaged and participative	Wharves and jetties provide important transport links to isolated areas with consequent social and economic benefits.	They also provide recreational boating opportunities.
Economy	Ability to connect		
Mobility	Local and national accessibility Sustainable		
Living	Access to education and employment Opportunities for participation Sport and recreation Social cohesion		

Group Activity: The Provision of Roads and Footpaths

What is this Activity About?

This Activity is carried out to provide our Community with an efficient, safe and resilient road network.

As owner of the local roading network Council provides and maintains roads to standards that achieve an acceptable balance between user levels of service and cost. In addition Council is responsible for all roading related assets - footpaths, kerb and channelling, street lighting and carparks. Some wharves are also owned and maintained by Council. There has recently been an increased emphasis on alternative modes such as walking and cycling. In particular provision of high quality pedestrian facilities for an ageing population is increasing demand.

Separate Roles

Council is responsible for all roads in Marlborough except the State Highways, which are the responsibility of the New Zealand Transport Agency (Transport Agency).

Marlborough District Council has developed a contract with the Transport Agency's Marlborough Roads office to manage Council's roads on its behalf. This is achieved through a formal contract and a close management relationship between Council and Marlborough Roads.

The Transport Agency is a key partner in Council's land transport management. The State Highway network is of significant strategic importance in achieving community outcomes.

Council also works closely with the New Zealand Police on road safety issues and maintains and annually reviews a Road Safety Action Plan for the District.

The Road System

Council has 242 kms of footpaths, 886 kms of sealed road and 640 kms of unsealed roads. Council operates 363 bridges. The network is absolutely essential enabling freight and passenger travel over land and across waterways within Marlborough.

Meeting Standards

The key tool for management of the network is the Road Infrastructure Activity Management Plan (AMP) which determines levels of service to be provided for the next ten years. Detailed programmes are included in the Transport Agency's three year programme for which Council receives Funding Assistance. Funding Assistance will be 50% for 2015-16 moving to 51% from 2016-17.

Council in its AMP identifies standards and guidelines for all activities undertaken to manage the road infrastructure. Council has adopted a best practice approach common to Road Controlling Authorities throughout New Zealand and in doing so ensures compliance with Transport Agency requirements. The standards and guidelines identified are predominantly those developed or adopted by the Transport Agency and are consistently applied across the Marlborough District's road network.

The Transport Agency has introduced the One Network Road Classification (ONRC) system. This ONRC system classifies all roads across the country. Roads of a similar form and function will have the same classification and have consistent levels of service across the nation. Councils are required to implement the ONRC by 1 July 2018 and adopt a ONRC transition plan within the AMP.

Road Safety

Marlborough Roads constantly reviews road crashes in the Marlborough District and annually prioritises the budgets available to improve safety where the road infrastructure is considered to be causing the most serious accidents. Reports are presented to the quarterly Road Safety Action Plan meetings which focuses on developing strategies with Police, ACC and road safety coordinators to address safety issues. Safety reports are also presented quarterly to the Regional Land Transport Committee which review the latest regional local road and state highway safety performance.

Nationally there has been a continual reduction in road fatalities in recent years and this is reflected in the Marlborough statistics which shows a trending down of serious casualties on local roads from 10 in 2005-06 to two in 2013-14.

A significant focus is in place to ensure safety is maintained through good quality pavements that are free of large potholes, edge breaks and other defects that may compromise safety. Management of icy road conditions has been a winter focus with no injury crashes reported in the last year.

Council also undertakes a road safety programme which provides educational advice to road users.

Road Quality

Council maintains the quality of its roads by monitoring trends in pavement condition, the age of surfacings, and undertakes structural inspections and repairs. Marlborough Roads schedules a renewals programme to optimise total costs by ensuring maintenance costs do not become excessive. The proposed standards and forward programme of work are reviewed by the Transport Agency. The Transport Agency undertakes technical and procedural audits on a three yearly cycle.

The renewals are determined from approved pavement modelling systems verified by physical inspection by experienced engineers. The pavement modelling system dTIMS (Deighton Total Infrastructure Modelling System) confirms that the planned quantities

are those required to maintain the asset. A regime of planned inspections determines standards are being maintained, programmed and delivered.

Marlborough Roads also monitor unsealed roads. They are challenging to manage, can deteriorate rapidly and are influenced by climatic and traffic variables. Marlborough Roads now have the capability to measure roughness to assist with determining the need for intervention treatments eg; grading, roughness management.

Marlborough's road pavement indicators compare favourably with peer agencies and the Transport Agency's requirements.

The draft 2015-18 Government Policy Statement (GPS) signals a continuation of funding levels advised in the 2012-15 GPS. Councils budgets align with the GPS funding signals. Further efficiencies are sought through "flat line" budgeting.

The Network Outcomes Contract continues to deliver optimal costs and ongoing savings. This has enabled all maintenance and renewals to be delivered within the tensioned budgets that were set by the Transport Agency .

Funding may be moderated over the next three years to ensure that levels of service over time will meet ONRC requirements. The AMP has been updated to reflect the real reduction in funding. Renewal programmes have been tensioned with renewals only being undertaken where they are economically justified.

Footpaths and Street Parking

A formal monitoring system is now established to assess footpath condition in urban areas. A full footpath rating is undertaken on a three yearly basis.

Council provides parking on urban streets where it is practicable and safe to do so. Within areas kerbside parking is either metered or time restricted in high use areas to ensure a good turn-over of usage to encourage a vibrant retail environment. Off-street parking and the parking building is managed by Marlborough Roads (via a sub-contractor). This is part of the Regional Development Activity Group elsewhere in the Plan.

Asset Description

The table below provides an overview of Council's roading assets:

Asset	Length / Quantity
Road Length	1,526 kms (886 kms sealed, 640 kms unsealed)
Bridges	363
Jetties	13
Urban Footpaths	242 kms (146 kms concrete; 75 kms asphalt; 9 kms sealed; other 12 kms)

The total asset value for the Roads and Footpaths Activity as at 30 June 2014 is $631.5 million.

Major Budgeted Capital Projects

The table outlines the major budgeted projects and areas of expenditure proposed for this Activity over the next 10 years. Although these items are budgeted, in some cases further public consultation will be required with the relevant community before the project is implemented. These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of this Activity section.

Sub-Activity	Major Capital Projects	Inflated value (Millions)
General roading	2015-17 Major rehabilitation of Waihopai high productivity motor vehicles (HPMVs) route.	$0.8
	2015-17 Major rehabilitation of Northbank HPMV route.	$4.8
	2016-23 French Pass Road sealed pavement.	$0.5
	2017-18 Northbank Road staircase seal extension.	$1.2
	2017-24 Kenepuru Road sealed pavement.	$0.5
	2015-25 Renewal of existing infrastructure (eg; resealing, rehabilitation, seal widening, metalling etc).	$64.3
Bridges	2015-16 Replacement of Tyntesfield Road bridge.	$0.9
Signs, footpaths, cycle facilities, kerb and channel	2015-16 Picton and Blenheim town entry signage.	$0.5
	2015-25 Renewals and additions of kerb and channels, footpaths, cycle facilities and non-subsidised seal extensions.	$15.4
Blenheim CBD upgrades	2015-16 and 2017-18 Landscaping project leading to the development of new Blenheim library.	$2.0

Sub-Activity	Major Capital Projects	Inflated value (Millions)
	2015-25 Surface treatment, lighting and street furniture.	$5.5
Wharves	2015-25 Renewals of existing infrastructure (jetties).	$1.2
Subdivisional works	2015-25 Seal extensions, widening, kerb and channelling as required by subdivisional works.	$1.7

Emerging Issues and Expected Changes

Increasing Forest Harvests

Marlborough's main forests were planted in the late 1970's and 1980's. Increasing harvest volumes are anticipated as these forests fully mature and market demand improves. The effects on roading such as dust, noise, damage and safety are increasing.

Pressure on Budgets for Increasing Storm Damage Costs

Climate change is expected to increase the frequency of heavy rainfall events with consequent road damage. Changes to the Transport Agencies funding assistance rate for repairs could also impact on Council's budgets.

Urban Growth Effects

Proposed new zone developments need to follow planned roading layouts and services plans to ensure good community outcomes and equitable cost sharing. Capital costs are expected to be met by developers with road costs included in Council zone levies.

Capital Bridge Programme

Council has 18 bridges that have been identified as having less than or equal to two years remaining life. As many bridges as funding permits will be replaced during the LTP.

Ageing Population

The ageing demographic of the Marlborough Population is likely to increase demand for better standards of footpath including increased levels of service for mobility scooter users.

Group Activity: The Provision of Roads and Footpaths

Levels of Service 2015-25: Roads and footpaths

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
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".	6.5	6.5	6.5	6.5	6.5
Road safety Provide a safe transport infrastructure.	The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.	8 (previous 10 year average)	Target for reducing the number of serious injuries and fatalities = Nil	Target for reducing the number of serious injuries and fatalities = 1	Target for reducing the number of serious injuries and fatalities = Nil	Target for reducing the number of serious injuries and fatalities = 1
Road condition Provide a quality transport infrastructure.	Average quality of ride on a sealed local road network measured by Smooth Travel Exposure[3] for:					
	Urban roads	≥ 85%	≥ 84%	≥ 84%	≥ 83%	≥ 83%
	Rural roads	≥ 92%	≥ 92%	≥ 92%	≥ 92%	≥ 91%
	Condition Index[4].	≤ 6.5	< 6.1	< 6.2	< 6.3	≤ 6.5
	Average road roughness standards for:					
	Urban sealed roads	< 110	< 115	< 115	< 115	< 115
	Rural sealed roads	< 98	< 100	< 100	< 100	< 100
	NB: a newly sealed road has an average roughness of 50 – 70. A very rough gravel rough will have a roughness value higher than 300.					
Road maintenance Provide a sustainable land transport infrastructure.	The percentage of sealed road network that is resurfaced annually. Total sealed area is 7,995m^2 as 2014-15.	4.2%	4.2%	4.2%	4.2%	5.6%
Footpaths To provide footpaths that meet the needs of an ageing community.	Length of footpath that meets the Asset Management Plan rating of better than 4.	94%	94.4%	94.7%	94.9%	94.9%
Respond to Service Requests	% of customer services requests relating to roads and footpaths to which the territorial authority responds within 15 days.	New measure	≥ 90%	≥ 90%	≥ 90%	≥ 90%

[3] Smooth Travel Exposure is the percentage of vehicle kms travelled on roads meeting a certain roughness standard. This indicator shows the extent to which Council has maintained the road asset. It records travel on the roading network which meets the roughness benchmarks therefore providing a measure of delivery of a safe and comfortable ride. Well maintained roads contribute to lower operating costs for road users. The Marlborough values compare favourably with peer agencies.

[4] Condition Index is an addition of weighted percentages of defects like alligator cracking, scabbing, potholes, pothole patches and flushing. It does not include age of the surfacing treatment. Lower values indicate a higher standard, where the maximum score is 100 and a lower score such as five is a very good outcome.
Because of short term pressures with funding reducing an allowance was made for some increase in the Condition Index reflecting less renewal and more maintenance.

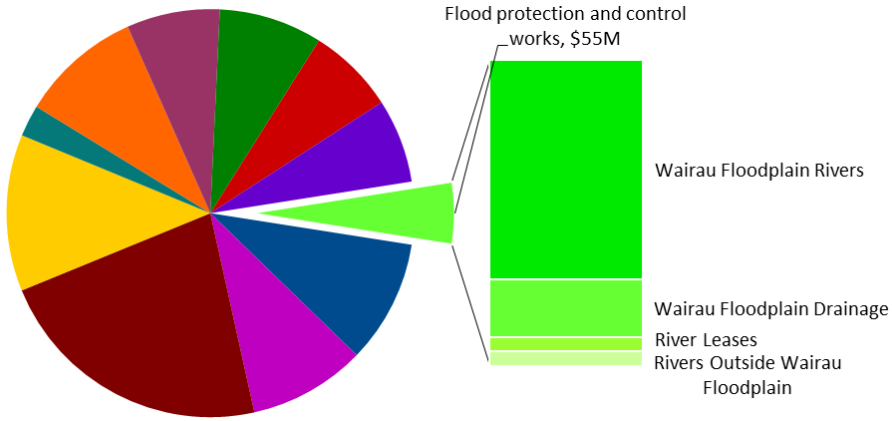
Group Activity: The Provision of Roads and Footpaths

Funding Impact Statement for 2015-25 Roads and footpaths	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	8,958	9,067	9,826	10,207	10,947	11,306	11,816	12,296	12,919	13,556	14,296
Targeted rates	63	65	66	67	68	69	70	71	72	73	74
Subsidies and grants for operating purposes	3,236	4,498	5,011	5,095	5,434	5,582	5,802	6,015	6,269	6,501	6,752
Fees and charges	5	6	6	6	7	7	7	7	7	8	8
Other receipts	1,217	1,142	1,184	1,203	1,245	1,268	1,305	1,323	1,345	1,361	1,387
Total operating funding	13,479	14,778	16,093	16,578	17,701	18,232	19,000	19,712	20,612	21,499	22,517
Applications of operating funding											
Payments to staff and suppliers	7,830	9,891	10,803	10,963	11,751	12,036	12,552	12,965	13,531	14,012	14,579
Finance costs	439	555	670	775	882	975	1,095	1,217	1,343	1,471	1,600
Internal charges and overheads applied	1,119	1,361	1,427	1,485	1,530	1,538	1,583	1,641	1,701	1,775	1,843
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	9,388	11,807	12,900	13,223	14,163	14,549	15,230	15,823	16,575	17,258	18,022
Surplus (deficit) of operating funding	4,091	2,971	3,193	3,355	3,538	3,683	3,770	3,889	4,037	4,241	4,495
Sources of capital funding											
Subsidies and grants for capital expenditure	2,172	3,097	3,063	3,417	3,443	3,571	3,710	3,860	4,022	4,198	4,385
Development and financial contributions	176	180	185	190	195	201	207	214	221	228	236
Increase (decrease) in debt	697	1,525	1,052	1,405	1,138	1,172	1,656	1,709	1,760	1,816	1,874
Total sources of capital funding	3,045	4,802	4,300	5,012	4,776	4,944	5,573	5,783	6,003	6,242	6,495
Applications of capital funding											
Capital expenditure to meet additional demand	447	312	318	328	336	345	354	364	375	387	399
Capital expenditure to improve the level of service	514	1,026	1,277	3,109	1,535	2,117	1,616	1,662	1,712	1,766	1,823
Capital expenditure to replace existing assets	5,316	7,866	6,114	6,502	6,928	7,417	7,919	8,316	8,768	9,026	9,329
Increase (decrease) in reserves	859	(1,431)	(216)	(1,572)	(485)	(1,252)	(546)	(670)	(815)	(696)	(561)
Total applications of capital funding	7,136	7,773	7,493	8,367	8,314	8,627	9,343	9,672	10,040	10,483	10,990
Surplus (deficit) of capital funding	(4,091)	(2,971)	(3,193)	(3,355)	(3,538)	(3,683)	(3,770)	(3,889)	(4,037)	(4,241)	(4,495)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Reconciliation											
Total applications of operating funding	9,388	11,807	12,900	13,223	14,163	14,549	15,230	15,823	16,575	17,258	18,022
plus - Depreciation and amortisation	8,588	8,537	8,781	9,037	9,344	9,655	9,950	10,250	10,605	10,981	11,368
Expenditure as per Income Statement	17,976	20,344	21,681	22,260	23,507	24,204	25,180	26,073	27,180	28,239	29,390
Capital expenditure (including vested assets):	6,901	9,828	8,350	10,595	9,473	10,572	10,603	11,078	11,615	11,965	12,366

Flood Protection and Control Works

Operating Costs

The operating costs for the Flood Protection and Control Works Group of Activities represents $55 million of total Council expenditure.



Major Budgeted Capital Projects

The major capital projects for the Flood Protection and Control Works Group of Activities are:

Areas	Major Capital Projects	Inflated value (Millions)
Wairau floodplain to the Waihopai confluence	2015-25 Flood protection and control works.	$9.2
Wairau floodplain	2015-25 Pump station and drainage network upgrades.	$3.5
Picton and Waikawa minor streams	2015-25 Rock and gabion protection.	$0.2

These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of this Activity section.

Group Activity: Flood Protection and Control Works

Rationale for the Delivery of Flood Protection and Control Works Group of Activities

It is mandatory that Flood protection and control works is an Activity Group.

Changes to Flood Protection and Control Works Activity Group from the 2014-15 Annual Plan

There are no changes for this Activity Group.

Intended Changes to Levels of Service from the 2014-15 Annual Plan

The table describes any intended changes to the levels of service within the group from the levels of service displayed in the 2014-15 Annual Plan. The reasons for the intended changes are also described.

2014-15 Annual Plan	2015-25 LTP	Reason for changes
Activity: Flood Protection and Control Works		
Monitor, maintain and upgrade flood-ways to provide a capacity for a flood size of up to 1 in 100 year return period event for the lower Wairau Plain, and 1 in 50 year return period event for Blenheim stormwater outfalls, and Waitohi and Waikawa Rivers, Picton.	**Wairau River scheme - system and adequacy** These major flood protection and control works are maintained, repaired and renewed to the standards defined in Rivers and Drainage Asset Management Plan (AMP)	To reflect new national mandatory performance measure which relates to 'major flood protection and control works'. In Marlborough, only the Wairau scheme meets the criteria for 'major' works.
	Monitor, maintain and upgrade key Picton floodways (Waitohi and Waikawa Rivers) to provide for a 1 in 50 year return period flood event.	Level of service that relates to the Waitohi and Waikawa schemes in Picton.
	Upgrade and maintain key Blenheim stormwater outfalls (channels and pump stations) including the Town Branch Caseys, Fulton and Murphys Creeks to provide for a 1 in 50 year return period storm event runoff including both infill and greenfield development.	Level of service that relates to storm water outfalls in Blenheim.

Significant Negative Effects Associated with this Group of Activities

This Activity Group may involve the potential for environmental impact or the operation of noisy machinery, earthmoving or construction works, which may impact on the environment and can result in temporary disruptions to daily life. Where resource consents are required for these activities, controls are imposed as appropriate.

Activity: Flood Protection and Control Works

Activity: Flood Protection and Control Works

Operating costs of this Activity represents approximately 4.9% of total Activity expenditure.

How this Activity Contributes to Related Community Outcomes

This Activity contributes primarily to the Community Outcomes of Environment, People, Economy, Mobility and Living by:

Outcome	Sub-outcome	Major linkages	Secondary linkages
Environment	Systems for protection and care	Flood control and drainage management provide major environmental, economic and social benefits.	Council owned floodway land can have secondary uses of public access and recreation, ecological/amenity plantings or for economic gain through forestry or pastoral leasing as appropriate.
	Sustainable resource management	Residents and their property are safeguarded from the risks of river and stream flooding and erosion.	
People	Quality jobs	Agricultural drainage of the lower Wairau plains is provided, improving the productivity of drainage impaired soils.	
	Increasing incomes	Soil conservation is managed in the Wither Hills Farm Park to prevent sediment from depositing into the watercourses at the base of the hills.	
	Increasing capital wealth	Gravel extraction from river channels is managed in a sustainable manner and provides a valuable economic resource.	
Economy	Increasing GDP per FTE	Environmental sustainability is managed.	
	Productivity		
Mobility	Accessibility		
	Sustainable		
Living	Health		
	Individual safety		
	Access to housing		
	Sport and recreation		

What is this Activity About?

The Activity is primarily about managing flood hazard and drainage focused on the more developed areas of Marlborough. Requirements in different areas have developed according to the history of flood risks and development of drainage improvements or from more recent assessment of flood risks as land uses have changed and development occurred. The areas of activity can be summarised as follows:

Lower Wairau Flood Protection

To maintain and upgrade the main Wairau floodplain floodways below the Waihopai confluence to provide a capacity for flood sizes up to a one in 100 year return period. These floodways include the Wairau (below Waihopai), the Wairau Diversion, and tributaries including the Opawa, Taylor and Omaka Rivers and the Riverlands Co-op Floodway.

Wairau Floodplain Tributaries

To keep key Wairau River tributary (including the Wairau above the Waihopai confluence) channels clear of trees and debris as economically practical, to maintain flood capacity and minimise the risk of changes to channel alignment.

Sounds Watercourses Flood Management

To develop and maintain a river capacity and standard of protection for flood sizes of up to one in 50 years return period for the Waitohi, Waikawa and their tributaries flowing through the urban areas of Picton and Waikawa. Similarly to consider waterway improvements in other built up Sounds areas including Havelock to protect houses.

Blenheim, Riverlands and Renwick Stormwater Outfalls

To ensure the system of drains, natural watercourses, pumping stations and floodgates adequately provides for the disposal of urban stormwater from the pipe networks operated by Council's Services section. The desired level of service is to provide for a one in 50 years return period event.

Lower Wairau Floodplain Drainage

To provide agricultural drainage for the Wairau Floodplain land generally to the east of Blenheim and O'Dwyers Road. This involves controlling weed and sediment for some 280 kms of excavated drains or natural watercourses, maintaining floodgated culverts into the major rivers, and providing pumping stations generally with a capacity of removing 15 mm of rainfall in 24 hours. The riparian margins of selected channels are managed in an aesthetic and ecologically sensitive manner.

Gravel Extraction

To manage gravel extraction from river channels throughout Marlborough to ensure that the extraction of this valuable economic resource is managed in a sustainable

manner consistent with good river management. This requires limiting gravel extraction to specific amounts and locations.

Gibsons Creek Rewatering

To supply water from the Wairau and Waihopai rivers into Gibsons Creek to meet the requirements of the Southern Valleys' Irrigation Scheme and to provide further water to ensure a continuous flow in the Gibsons Creek/Opawa system for environmental objectives including groundwater recharge.

Soil Conservation

To manage the Wither Hills Farm Park so that little or no sediment is deposited into the watercourses at the base of the hills.

Council River Control Floodway Reserve Land

To allow Council owned floodway land to have secondary uses of public access/recreation, ecological/amenity plantings, or for economic gain by forestry or pastoral leasing as appropriate.

Flood Hazard and River Management Advice

To provide flood hazard advice to other sections of Council for LIMS and PIMS documents, for resource consents, building consents and Resource Management Plans. The section also provides direct advice to landowners on flooding and erosion risks, and mitigation options, throughout the District.

Flood Response

To monitor key river systems during a flood event, provide advice and undertake emergency repairs as appropriate. Advice of potential flood danger is directed at the public and public agencies such as police, Civil Defence etc.

Asset Description

The table below provides an overview of Council's Flood Protection and Control Works assets:

Asset	Length /Quantity
Stopbanks, training banks, the Taylor Dam, and other minor dams in total comprising 4.8 million cubic metres volume of earthworks.	180 kms
Large rock rip rap for river bank erosion protection purpose.	585,000 m³
Manage tree plantings (willows, poplars etc) for riverbank erosion protection purposes	55 hectares
Excavated minor water courses for agricultural drainage and urban stormwater disposal purposes.	160 kms
Major river diversions.	4
Pumping stations for agricultural drainage purposes.	19
Pumping stations for urban stormwater disposal purposes.	11
Culverts under stopbanks etc of various sizes and lengths, usually floodgated.	290
Control gates or weirs.	20
Floodway land.	3,000 hectares

The total asset value for the Flood Protection and Control Works Activity as at 30 June 2014 is $176.9 million.

Major Budgeted Capital Projects

The table outlines the major budgeted projects and areas of expenditure proposed for this Activity over the next 10 years. Although these items are budgeted, in some cases further public consultation will be required with the relevant community before the project is implemented. These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of this Activity section.

Areas	Major Capital Projects	Inflated value (Millions)
Wairau floodplain to the Waihopai confluence	2015-25 Flood protection and control works.	$9.2
Wairau floodplain	2015-25 Pump station and drainage network upgrades.	$3.5
Picton and Waikawa minor streams	2015-25 Rock and gabion protection.	$0.2

Emerging Issues and Expected Changes

This plan provides for progress on a number of some issues identified over last couple of years that need to be addressed in this plan. These issues are summarised as follows:

Taylor Dam upgrades to meet new dam safety regulations

The Taylor flood detention dam is a very important part of the flood protection system that protects Blenheim. The dam is now close to 50 years old and generally in very good order. Dam safety regulations now require dams like the Taylor to be regularly

inspected and assessed for safety.

A comprehensive safety review was completed earlier this year and has identified a number of matters for Council to attend to including a minor capacity upgrade to the auxiliary spillway, installation of additional drainage and crest level monitoring points and resealing of the main outlet culvert joints. Provision in the plan has been made for this work.

Similar refurbishment work is also required to a number of other flow control/outlet structures of a similar age including the Gibsons Creek Waihopai intake and the upper Opawa loop inlet control gate.

Maintaining the Wairau River alignment and stopbank security

The stopbanked reach of the Wairau River from the Waihopai confluence downstream has very powerful and erosive river flows. Bank protection in the form or rock rip-rap armouring and tree planting is required to protect the stopbanks from erosion, especially as the result of floods.

Regular asset inspections have confirmed the need for continued investment in new works and regular maintenance of existing works to ensure a robust flood protection system. The main change for this plan is that new rock work has been identified as being required in both the lower Wairau and Diversion reaches. Provision has been made for this work.

The flood events of April and June 2014 also caused significant bank edge damage in the lower Tuamarina River immediately upstream from the Wairau confluence, and in the stopbank section of the Omaka River. Budget provision has been included to repair the damage and secure the adjacent stopbanks with new heavy rock linings or planting as appropriate.

Implementing agreed improvements to the Lower Wairau drainage network

The review of the current drainage network is compete and ready for consultation with benefitting landowners. Final changes to the network will only be adopted once we have landowner feedback.

Provision has been included in the plan to upgrade and then maintain an additional 15.5kms of drain.

Blenheim stormwater outfall upgrades

Ongoing development of Blenheim including infill housing and expansion into the recently rezoned areas to the north and west requires upgrade of the stormwater system, including the outfall channels and pump stations.

Considerable work is underway to determine and design necessary upgrades for the Redwood Street catchment (Town Branch drain and Redwood Street and Abattoir pumping), Blenheim north rezone area (Caseys Creek and pump station) and Blenheim west (Murphys Creek capacity and environmental issues). Some budget provision has been included for new/upgraded pump stations and channel upgrades.

Pukaka Quarry extension

The Council owned Pukaka Quarry is a key source of rock rip-rap for river protection works on the Wairau River and tributaries. The quarry also supplies a variety of aggregates to the contracting market as by-product of the rock production.

The rock resource within the existing land boundary is now limited and further land will be required if the quarry is going to continue for a further 50 years.

Investigations are underway to determine the feasibility of extending the quarry to the north including the land area required, and infrastructure requirements including a new haul road, floor extension and building requirements. Once complete we will then approach the adjacent landowner regarding purchase of the additional land.

No specific capital budget is provided for in this plan. However the Pukaka Quarry is self-funding and capital requirements for any extension are proposed to be serviced from operating revenue.

Planning Input

Much of the sections work is required to be authorised by way of plan rules or resource consent. Similarly implementation of the Marlborough Growth Strategy can have significant impact on investigation and capital expenditure programmes. These include Blenheim north and the lower terrace at Renwick.

Ongoing staff resource will continue to be made available to provide appropriate input into the proposed new District plan, and to ensure that adequate technical expertise is applied to assess and facilitate areas of growth in the District.

Group Activity: Flood Protection and Control Works

Levels of Service 2015-25: Flood Protection and Control Works

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
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".	7.0	7.0	7.0	7.0	7.0
Wairau River scheme - system and adequacy These major flood protection and control works are maintained, repaired and renewed to the standards defined in Rivers and Drainage Asset Management Plan (AMP)	% of floodway and tributary network inspected annually for condition and maintenance requirements.	90%	90%	90%	90%	90%
	% of programmed maintenance and renewal works identified in the AMP 'practically'[5] completed.	100%	100%	100%	100%	100%
	% of capital improvement works in the AMP achieved.	80%	80%	80%	80%	80%
	Timeliness of providing a report to the Assets and Services Committee on the damage to the floodway network and potential problem areas following significant flood events (generally exceeding a 1:2 year return).	<2 months post event	<2 months post event	<2 months post event	<2 months post event	<2 months post event
Wairau Plains Effective drainage provided to the lower Wairau plains.	% of drain network inspected at least annually for condition and maintenance requirements.	100%	100%	100%	100%	100%
	% of drains weed sprayed each year.	90%	90%	90%	90%	90%
	% of drains mechanically cleared each year.	6%	6%	6%	6%	6%
	% of the agreed and approved drain network extension upgraded and brought into Council management.	New measure	40%	30%	30%	N/A
Picton Floodways Monitor, maintain and upgrade key Picton floodways (Waitohi and Waikawa Rivers) to provide for a 1 in 50 year return period flood event.	% of floodway network inspected annually for condition and maintenance requirements.	100%	100%	100%	100%	100%
	% of programmed maintenance and renewal works identified in the AMP 'practically'[5] completed.	100%	100%	100%	100%	100%
Blenheim Urban Upgrade and maintain key Blenheim stormwater outfalls.[6]	% of programmed maintenance and renewal works identified in the AMP 'practically'[5] completed.	100%	100%	100%	100%	100%
	% of capital improvement works in the AMP achieved.	80%	80%	80%	80%	80%
Sound flood hazard advice provided.	Number of liability consequences for Council arising from incorrect advice provided on flood hazards as part of the Resource Consent, Building Consent, PIMs and LIMs processes.	<5	5	5	5	5

[5] NZS 3910:2003 defines practical completion as when the contract works or any separable portion are complete except for minor omissions and minor defects.

[6] Channels and pump stations, including the Town Branch Caseys, Fulton and Murphys Creeks to provide for a 1 in 50 year return period storm event runoff including both infill and greenfield development.

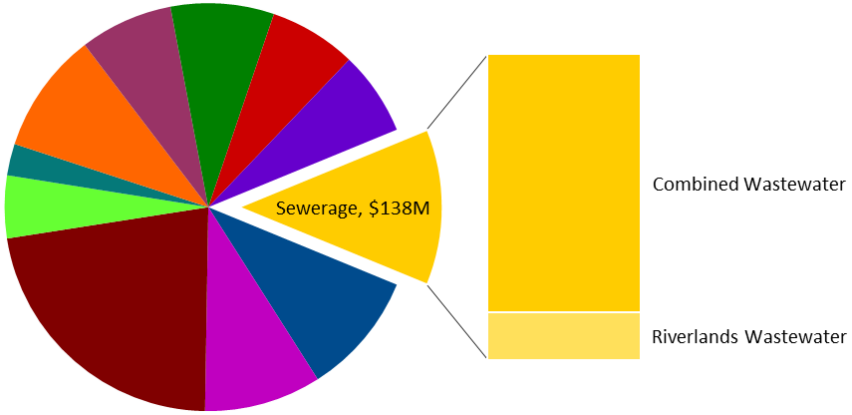
Group Activity: Flood Protection and Control Works

Funding Impact Statement for 2015-25 Flood protection and control works	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	259	273	280	286	292	298	304	312	320	329	338
Targeted rates	3,461	3,678	3,852	3,972	4,096	4,210	4,352	4,518	4,501	4,694	4,853
Fees and charges	510	605	620	636	653	672	692	714	737	763	790
Internal charges and overheads recovered	160	200	205	210	216	222	229	236	244	252	261
Other receipts including rental revenue	2,573	2,586	2,588	2,591	2,593	2,596	2,600	2,604	2,608	2,613	2,618
Total operating funding	6,963	7,342	7,545	7,695	7,850	7,998	8,177	8,384	8,410	8,651	8,860
Applications of operating funding											
Payments to staff and suppliers	3,728	3,090	3,152	3,217	3,295	3,371	3,448	3,544	3,639	3,742	3,851
Finance costs	62	97	137	149	170	190	201	207	230	256	262
Internal charges and overheads applied	746	1,671	1,714	1,760	1,798	1,816	1,857	1,905	1,957	2,018	2,075
Other operating funding applications	32	32	32	33	34	35	36	37	38	40	41
Total applications of operating funding	4,568	4,890	5,035	5,159	5,297	5,412	5,542	5,693	5,864	6,056	6,229
Surplus (deficit) of operating funding	2,395	2,452	2,510	2,536	2,553	2,586	2,635	2,691	2,546	2,595	2,631
Sources of capital funding											
Increase (decrease) in debt	37	300	308	210	273	219	224	115	629	128	125
Total sources of capital funding	37	300	308	210	273	219	224	115	629	128	125
Applications of capital funding											
Capital expenditure to meet additional demand	200	340	246	305	822	392	228	296	941	448	259
Capital expenditure to improve the level of service	-	240	606	399	365	308	360	392	238	342	253
Capital expenditure to replace existing assets	793	915	667	803	368	606	357	490	238	266	378
Increase (decrease) in reserves	1,439	1,257	1,299	1,239	1,271	1,499	1,914	1,628	1,758	1,667	1,866
Total applications of capital funding	2,432	2,752	2,818	2,746	2,826	2,805	2,859	2,806	3,175	2,723	2,756
Surplus (deficit) of capital funding	(2,395)	(2,452)	(2,510)	(2,536)	(2,553)	(2,586)	(2,635)	(2,691)	(2,546)	(2,595)	(2,631)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Reconciliation											
Total applications of operating funding	4,568	4,890	5,035	5,159	5,297	5,412	5,542	5,693	5,864	6,056	6,229
plus - Depreciation and amortisation	149	166	192	198	213	229	236	239	259	281	293
less - Internal charges and overheads recovered	160	200	205	210	216	222	229	236	244	252	261
Expenditure as per Income Statement	4,557	4,856	5,022	5,147	5,294	5,419	5,549	5,696	5,879	6,085	6,261
Operating expenditure											
River Leases	216	231	231	237	242	248	254	261	269	277	286
Rivers Outside Wairau Floodplain	245	257	260	264	267	270	273	278	282	287	293
Wairau Floodplain Drainage	790	865	908	932	974	1,014	1,040	1,066	1,131	1,205	1,248
Wairau Floodplain Rivers	3,306	3,504	3,622	3,714	3,811	3,888	3,981	4,091	4,197	4,314	4,435
Capital expenditure:											
Rivers Outside Wairau Floodplain	20	20	21	21	21	22	22	23	23	24	25
Wairau Floodplain Drainage	330	230	303	295	721	315	170	281	737	358	41
Wairau Floodplain Rivers	643	1,245	1,195	1,189	810	970	747	874	648	673	812

Sewerage Including Treatment and Disposal

Operating Costs

The operating costs for the Sewerage Group of Activities represents $138 million of total Council expenditure.



Major Budgeted Capital Projects

The major capital projects for the Sewerage Including Treatment and Disposal Group of Activities are:

Areas	Major Capital Projects	Inflated value (Millions)
Blenheim	2015-21Reticulation upgrades to provide capacity for growth, particularly new residential zones in the northwest.	$8.4
	2019-21 Reticulation upgrades and pump station for Burleigh area.	$2.8
	2019-21 Replacement of main outfall pump station in Alabama Road.	$7.3
	2021-24 Pump station upgrade at Nelson Street.	$2.2
	2024-25 Pump station upgrade at Battys Road.	$5.8
Picton	2015-19 Pump station upgrades and trunk sewer.	$20.4
	2015-17 New treatment plant at Dublin Street.	$2.4
	2017-18 Aeration upgrade.	$0.7
Riverlands	2016-17 Sewerage treatment for industrial capacity upgrade.	$1.9
Seddon	2015-22 Sewerage treatment upgrade.	$1.3
St Andrews	2017-18 New reticulation of sewerage system and connection to Blenheim.	$1.1
Havelock	2015-17 Sewerage treatment upgrade.	$0.8

These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of this Activity section.

Group Activity: Sewerage Including Treatment and Disposal

Rationale for the Delivery of Sewerage Including Treatment and Disposal Group of Activities

It is mandatory that Sewerage including Treatment and Disposal is an Activity Group.

Changes to Sewerage Including Treatment and Disposal Activity Group from the 2014-15 Annual Plan

There are no changes to this Activity Group.

Intended Changes to Levels of Service from the 2014-15 Annual Plan

The table describes any intended changes to the levels of service within the group from the levels of service displayed in the 2014-15 Annual Plan. The reasons for the intended changes are also described.

2014-15 Annual Plan	2015-25 LTP	Reason for changes
Activity: Sewerage Including Treatment and Disposal		
Provide a level of service quality that minimises environmental risks.	System and adequacy.	To reflect new national mandatory performance measure.
Provide a reliable wastewater service with adequate system capacity and performance.	Discharge compliance.	To reflect new national mandatory performance measure.
Provide a service that is timely and responsive to customer needs.	Fault response times.	To reflect new national mandatory performance measure.
Provide a sustainable wastewater service.	None.	Level of service to be maintained, but reporting to be covered by new 'Essential Services Benchmark' as per the Local Government (Financial Reporting and Prudence) Regulations 2014, section 10d.

Variation Between Long Term Plan and the Assessment of Water and Sanitary Services

There is no significant variation between the adopted assessment of water and sanitary services and this Plan.

Significant Negative Effects Associated with this Group of Activities

This Activity Group may involve the potential for environmental impact or the operation of noisy machinery, earthmoving or construction works, which may impact on the environment and can result in temporary disruptions to daily life. Where resource consents are required for these activities, controls are imposed as appropriate.

Activity: Sewerage Including Treatment and Disposal

Activity: Sewerage Including Treatment and Disposal

Operating costs of this Activity represents approximately 12.4% of total Activity expenditure.

How this Activity Contributes to Related Community Outcomes

This Activity contributes to the Community Outcomes of Environment, Economy and Living by:

Outcome	Sub-outcome	Major linkages	Secondary linkages
Environment	Attractive Control over pollution levels, forms and effects Systems for protection and care Sustainable resource management	Collection treatment and disposal of wastewater to provide sanitary living conditions, protect public health and minimise damaging discharges to the environment is an essential service.	Environmental sustainability.
Economy	Increasing GDP per FTE Ability to transform	Good effluent management enables industry.	Industrial and residential development. A prosperous community and economy for all Marlburians.
Living	Health Access to quality housing	Sewage management and treatment is a highly significant benefit to health and also enables more intensive housing.	

What is this Activity about?

Collection, treatment and disposal of wastewater to provide sanitary living conditions, protect the public health and minimise damaging discharges to the environment is an essential service that contributes to:

- The health of communities.
- Minimising adverse environmental effects.
- Industrial and residential development.

What We Do and Where We Do It

Council operates four wastewater schemes in Blenheim, Picton, Havelock and Seddon. The reticulation networks at Blenheim, Renwick, Grovetown, Spring Creek, Riverlands, Cloudy Bay, Marlborough Ridge and Woodbourne drain to the sewage treatment facility at Hardings Road, Blenheim.

The plant has evolved over many years. The original aeration ponds have been augmented with the treatment ponds that formerly served the PPCS meat processing plant. There have been major upgrades to the plant in recent years to meet the rapidly growing demands of the wine industry. Work has recently been completed on the construction of a major new wetland, tertiary treatment and outfall that will deliver improved effluent quality and facilitate irrigation to land. A new outfall pipeline has been constructed into the Wairau River estuary.

Picton and Waikawa are served by an extended aeration treatment plant, completed in 1999. The plant performs very well and produces an effluent of consistent high quality. The old outfall pipeline that used to be conspicuous along the shore of Kaipupu Point has now been replaced by a new and improved under water pipe, and the old pipeline has been removed. Traditional oxidation ponds are used to treat effluent at Havelock and Seddon.

The cost of providing wastewater infrastructure is high and becomes increasingly expensive as larger and more complex equipment is installed to meet the higher standards of discharge quality and reliability demanded by modern society. It is common policy for the costs of the scheme to be borne only by the beneficiaries.

Subsequently the installation and maintenance of wastewater infrastructure becomes tenable only for reasonably large and concentrated population centres.

Around 85% of Marlborough's population is on the reticulated wastewater system. Rural locations rely on individual on-site treatment/disposal systems or small community based reticulation and treatment. The initial cost of on-site treatment is often more affordable for small and dispersed settlements but require suitable ground conditions for percolation of supernatant liquors and an on-going monitoring and maintenance commitment. Permeable soils, a low residual water table and a reasonably flat topography are good attributes for an efficient on-site treatment system.

There are many areas of Marlborough where on-site sewage disposal are operated in difficult conditions. For example, further growth in many areas of the Marlborough

Sounds is inhibited by the lack of sewage disposal options. Failing treatment systems cause insanitary conditions and pollution of local water courses and groundwater with a subsequent deterioration to the ecological, recreational and living environment. In these circumstances, a community wide treatment scheme may become more attractive to residents of small communities.

Reticulation has recently been installed in Grovetown, St Andrews, and the David/Severne Street areas of Blenheim. Installation costs were reduced by using a modern grinder pump system but connection costs were still considered high by some residents.

Why We Provide the Service We Do

The levels of service for the wastewater service have been determined by the features of the Activity most valued by our customers.

Environmental Risks – the marine and riverine environments are important commercial, recreational and cultural environments. Fisheries, aquaculture, tourism, water sports and leisure activities depend on good quality water. Iwi have a deep cultural relationship with the natural environment. Effluent quality from the treatment plants is strictly controlled by resource consent. Sampling routines have been imposed to check the quality of the outfall discharge of each of the plants and on the shellfish ecology in the vicinity of two of the plants.

Treatment plants can become overloaded by highly concentrated wastewater. Vigilance is required to monitor trade wastes discharging into the networks particularly of the smaller treatment plants.

Excessive wastewater volumes can lead to inadequate treatment at the plants and overflows from the reticulation. Most surcharging in the system is derived from rainwater entering the reticulation through inflow and infiltration during storms. There is a continuous programme to identify and remedy sources of leakage into the system. There is a formal process for Assets and Services Department to advise Council's Regulatory Department, Public Health and major stakeholders if an overflow occurs, so that a recovery plan can be agreed and monitored.

Reliability and capacity - Blockages and pump breakdowns can cause occasional problems. They need rapid detection and response to prevent wastewater build-up and overflow into the environment. Repeated breakdowns in the system may be of considerable inconvenience to customers who are unable to drain wastewater from their property and may also be an indication to Council of a deteriorating asset or inadequate operational maintenance.

Timely and responsive service – A constant and reliable wastewater service is often taken for granted, however all systems are likely to breakdown or fail from time to time. The Council cannot guarantee a 24/7 wastewater drainage but do endeavour to remedy faults as quickly as possible.

Many blockages occur on laterals (the smaller pipes connecting the property to the mains in the road). Customer Service staff are trained to question customers reporting blockages to try to establish whether the problem is on the customers pipe within the property or is the responsibility of the Council. Sewers maybe partially blocked causing them to drain slowly and restricting the service. More severely blocked sewers will quickly back-up and be at risk of overflowing. Service requests are prioritised based on the severity and the number of customers affected.

Council aims to restore toilet facilities to customers within six hours of the notification of a breakdown, either by repairing the fault or by providing temporary toilet facilities where significant repairs are required.

Sustainable Service - Responsible stewardship of major infrastructure requires the Council to repair, renew and upgrade the assets in a timely fashion and avoid accumulating a legacy of decrepit assets. Decisions have to be made as to when it is cost effective to replace failing assets rather than to continue to repair them. Routine maintenance is important for wastewater systems to ensure assets are clean and functioning correctly and plant is serviced to prevent premature failure.

Asset Description

The table provides an overview of the extent of Council's sewerage reticulation network:

Area	Sub Area	Pipeline Length (kms)	Number of Connections
Blenheim	Blenheim	202	12,106
	Renwick	13.9	Included in Blenheim
	Spring Creek	3.9	Included in Blenheim
	Riverlands	4.0	Included in Blenheim
	Grovetown	16.9	Included in Blenheim
Picton		48.8	2,497
Havelock		10.2	287
Seddon		7.4	224
Total		**304.7**	**15,114**

There are four treatment plants at Blenheim (Hardings Road), Havelock, Picton, Seddon; (Spring Creek decommissioned); 59 sewer pump stations and 150 sewer

grinder pumps. The asset base has grown considerably over the last 10 years to meet the growth in wastewater (domestic and industrial) and the higher standards imposed by an increasingly environmentally conscious population.

The total asset value for the Sewerage Activity as at 30 June 2014 is $149.2 million. Detailed information on these assets is provided in the Wastewater Asset Management Plans.

Major Budgeted Capital Projects

The table outlines the major budgeted projects and areas of expenditure proposed for this Activity over the next 10 years. Although these items are budgeted, in some cases further public consultation will be required with the relevant community before the project is implemented. These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of this Activity section.

Areas	Major Capital Projects	Inflated value (Millions)
Blenheim	2015-21 Reticulation upgrades to provide capacity for growth, particularly new residential zones in the northwest.	$8.4
	2019-21 Reticulation upgrades and pump station for Burleigh area.	$2.8
	2019-21 Seismic strengthening of Main Outfall Pump Station in Alabama Road.	$7.3
	2021-24 Pump station upgrade at Nelson Street.	$2.2
	2024-25 Pump station upgrade at Battys Road.	$5.8
Picton	2015-19 Pump station upgrades and trunk sewer.	$20.4
	2015-17 New treatment plant at Dublin Street.	$2.4
	2017-18 Aeration upgrade.	$0.7
Riverlands	2016-17 Sewerage treatment for industrial capacity upgrade.	$1.9
Seddon	2015-22 Sewerage treatment upgrade.	$1.3
St Andrews	2017-18 New reticulation of sewerage system and connection to Blenheim.	$1.1
Havelock	2015-17 Sewerage treatment upgrade.	$0.8

Emerging Issues and Expected Changes

- The upgrade of Blenheim Sewage Treatment Plant has been completed. The discharge to the Opawa River has been discontinued. The use of the new wetland, operation of the upgraded outfall to Wairau River mouth adjacent to the Wairau Bar and irrigating treated effluent to land has commenced.
- Increasing treatment capacity at BSTP to meet continuing growth in trade waste.
- Significant upgrades of the sewerage reticulation network are planned for Blenheim and Picton over the next 10 years to reduce and control overflows.
- Consideration for upgrading Havelock's oxidation pond system to allow for industrial growth.
- The management and control of rainfall derived inflow and ground water infiltration into the wastewater reticulation.
- Infrastructure renewal is becoming necessary across all networks as pipelines near the end of their useful life. In particular in Picton.
- Failure of on-site wastewater treatment systems in unsewered townships and rural residential areas.
- The Main Outfall Pump Station (MOPS) at Riverlands will require major upgrade works to improve its earthquake resistance. It was decided by Council that it would be more economically viable to rebuild the pump station in 2017.

Group Activity: Sewerage Including Treatment and Disposal

Levels of Service 2015-25: Sewerage Including Treatment and Disposal

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
Customer Satisfaction 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".	8.0	8.0	8.0	8.0	8.0
	The total number of complaints received by the territorial authority about any of the following: (a) sewage odour (b) sewerage system faults (c) sewerage system blockages, and (d) the territorial authority's response to issues with its sewerage system, expressed per 1000 connections to the territorial authority's sewerage system.	7.5	7.5	7.5	7.0	7.0
System and Adequacy Provide a level of service quality that minimises environmental risks.	The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system.	0.31	0.31	0.31	0.31	0.31
Discharge Compliance Provide a reliable wastewater service with adequate system capacity and performance.	Number of wet weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system.	1.00	1.00	1.00	0.81	0.50
	Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of: (a) abatement notices (b) infringement notices (c) enforcement orders, and (d) convictions, received by the territorial authority in relation those resource consents.	Nil	Nil	Nil	Nil	Nil
Fault Response Times Provide a service that is timely and responsive to customers' needs.	Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured:					
	(a) attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site, and	New Measure	1.5	1.5	1.5	1.5
	(b) resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault.	New Measure	4.5	4.5	4.5	4.5

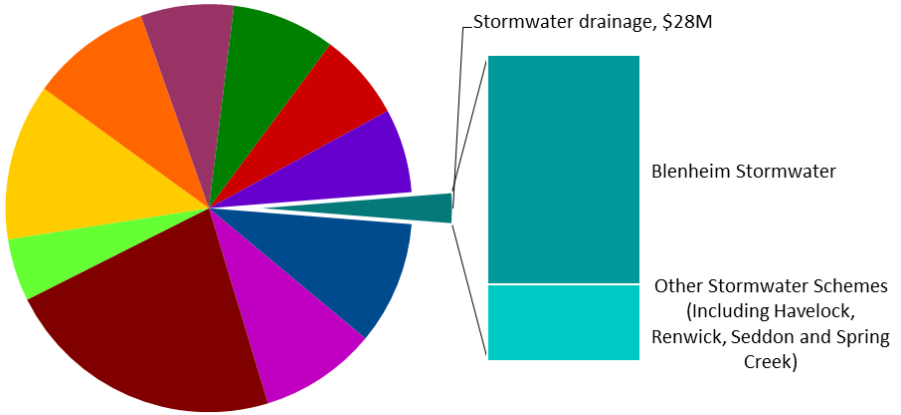
Group Activity: Sewerage Including Treatment and Disposal

Funding Impact Statement for 2015-25 Sewerage	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
Sources of operating funding											
Targeted rates	7,753	7,890	8,299	9,436	9,932	10,419	10,899	11,433	11,514	11,703	11,853
Fees and charges	62	62	64	65	67	69	71	73	76	78	81
Other receipts	1,856	1,936	1,943	2,213	2,286	2,362	2,443	2,531	2,623	2,723	2,780
Total operating funding	9,671	9,888	10,306	11,714	12,285	12,850	13,413	14,037	14,213	14,504	14,714
Applications of operating funding											
Payments to staff and suppliers	3,553	2,802	2,932	2,920	3,122	3,182	3,337	3,547	3,608	3,760	3,929
Finance costs	2,661	3,024	3,757	4,130	4,208	4,220	4,258	4,275	4,045	3,809	3,413
Internal charges and overheads applied	1,129	1,863	1,931	1,996	2,026	2,053	2,099	2,154	2,209	2,277	2,341
Total applications of operating funding	7,343	7,689	8,620	9,046	9,356	9,455	9,694	9,976	9,862	9,846	9,683
Surplus (deficit) of operating funding	2,328	2,199	1,686	2,668	2,929	3,395	3,719	4,061	4,351	4,658	5,031
Sources of capital funding											
Development and financial contributions	140	677	678	722	747	768	791	816	843	872	903
Increase (decrease) in debt	(400)	11,370	12,458	1,142	8,177	588	11,422	199	33	108	7,435
Total sources of capital funding	(260)	12,047	13,136	1,864	8,924	1,356	12,213	1,015	876	980	8,338
Applications of capital funding											
Capital expenditure to meet additional demand	1,035	5,787	7,189	1,937	3,335	469	2,724	707	197	533	5,177
Capital expenditure to improve the level of service	1,700	4,248	5,417	2,233	2,783	1,029	8,201	1,275	424	1,330	1,679
Capital expenditure to replace existing assets	560	4,013	4,870	548	2,315	283	800	1,051	600	1,212	994
Increase (decrease) in reserves	(1,227)	198	(2,654)	(186)	3,420	2,970	4,207	2,043	4,006	2,563	5,519
Total applications of capital funding	2,068	14,246	14,822	4,532	11,853	4,751	15,932	5,076	5,227	5,638	13,369
Surplus (deficit) of capital funding	(2,328)	(2,199)	(1,686)	(2,668)	(2,929)	(3,395)	(3,719)	(4,061)	(4,351)	(4,658)	(5,031)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Reconciliation											
Total applications of operating funding	7,343	7,689	8,620	9,046	9,356	9,455	9,694	9,976	9,862	9,846	9,683
plus - Depreciation and amortisation	2,880	2,861	3,283	3,994	4,150	4,450	4,734	5,042	5,243	5,454	5,710
Expenditure as per Income Statement	10,223	10,550	11,903	13,040	13,506	13,905	14,428	15,018	15,105	15,300	15,393
Operating expenditure											
Combined scheme	8,155	8,515	9,762	10,759	11,150	11,524	12,019	12,578	12,631	12,789	12,994
Riverlands Industrial	1,898	1,887	1,998	2,090	2,119	2,151	2,187	2,225	2,268	2,315	2,212
Tuamarina (new)	-	-	-	-	-	-	-	-	-	-	-
St Andrews (new)	21	7	7	60	111	108	106	104	102	99	96
Loan units (no-lump sum)	149	142	136	130	126	122	115	109	104	97	90
Capital expenditure (including vested assets):											
Combined scheme	3,227	14,093	15,667	4,840	8,559	1,879	11,826	3,167	1,335	3,119	7,897
Riverlands Industrial	128	55	1,931	5	5	36	37	8	33	108	110

Stormwater Drainage

Operating Costs

The operating costs for the Stormwater Drainage Group of Activities represents $28 million of total Council expenditure.



Major Budgeted Capital Projects

The major capital projects for the Stormwater Drainage Group of Activities are:

Areas	Major Capital Projects	Inflated value (Millions)
Blenheim	2016-25 Stormwater catchment upgrades.	$12.0
	2022-24 Pipelines at Murphys Creek.	$2.9

These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of this Activity section.

Activity Group: Stormwater Drainage

Rationale for the Delivery of Stormwater Drainage Group of Activities

It is mandatory that Stormwater Drainage is an Activity Group.

Changes to Stormwater Drainage Activity Group from the 2014-15 Annual Plan

There are no changes to the levels of service for this Activity Group.

Intended Changes to Levels of Service from the 2014-15 Annual Plan

The table describes any intended changes to the levels of service within the group from the levels of service displayed in the 2014-15 Annual Plan. The reasons for the intended changes are also described.

2014-15 Annual Plan	2015-25 LTP	Reason for changes
Activity: Stormwater Drainage		
Minimise the environmental risks of stormwater discharge.	Discharge compliance.	To reflect new national mandatory performance measure.
Provide a reliable stormwater service.	System adequacy.	To reflect new national mandatory performance measure.
Provide a service that is timely and responsive to current needs.	Response times.	To reflect new national mandatory performance measure.
Provide a stormwater service that is sustainable.	None.	Level of service to be maintained, but reporting to be covered by new 'Essential Services Benchmark' as per the Local Government (Financial Reporting and Prudence) Regulations 2014, section 10d.

Variation Between Long Term Plan and the Assessment of Water and Sanitary Services

There is no significant variation between the adopted assessment of water and sanitary services and this Plan.

Significant Negative Effects Associated with this Group of Activities

This Activity Group may involve the potential for environmental impact or the operation of noisy machinery, earthmoving or construction works, which may impact on the environment and can result in temporary disruptions to daily life. Where resource consents are required for these activities, controls are imposed as appropriate.

Activity: Stormwater Drainage

Activity: Stormwater Drainage

Operating costs of this Activity represents approximately 2.5% of total Activity expenditure.

How this Activity Contributes to Related Community Outcomes

This activity contributes to the Community Outcomes of Environment, Economy and People by:

Outcome	Sub-outcome	Major linkages	Secondary linkages
Environment	Systems for protection and care Sustainable resource management	Stormwater control and drainage management provide major environmental, economic and social benefits. Residents and their property are safeguarded from the risks of stormwater flooding. Flood-free land facilitates commercial and residential development. Environmental sustainability is managed through quality of urban stormwater run-off.	Council owned floodway land can have secondary uses of public access and recreation or, ecological and amenity plantings.
People	Quality jobs Increasing incomes Increasing capital wealth		
Economy	Increasing GDP per FTE Productivity		

What is this Activity about?

Council provides a stormwater drainage system to manage stormwater run-off from urban catchments. Collection and disposal of stormwater contributes to:

- Safety of the community by minimising the incidence of flooding.
- Minimising damage to properties from flooding.
- Reduced erosion.
- Facilitating commercial and residential development.
- The aquatic environment through the management of water quality from urban stormwater runoff.

What We Do and Where We Do It

The cost of providing stormwater infrastructure is high and rapidly increases as larger capacity is provided to meet higher standards of drainage and flood protection. It is policy for only the beneficiaries of a scheme to bear the associated costs. Therefore the construction and maintenance of stormwater infrastructure only becomes tenable for reasonably large and concentrated population centres. Rural locations frequently rely on natural channels and local experience to avoid flooding of dwellings and out-buildings. In some areas, flood protection works are undertaken by Council's Rivers and Land Drainage department that provides a wider protection to rural land and properties.

The urban stormwater systems can be categorised into two parts: The natural components comprise waterways and ponding areas, whilst the constructed system consists of stormwater mains, manholes, inlet sumps, pump stations, retention areas, secondary flow paths and soak holes. Picton and Blenheim account for over 90% of the stormwater reticulation (see table below).

The flat terrain on which much of Blenheim is sited means that the stormwater reticulation is laid at very flat grades. The reticulation drains to either the natural water courses or man-made drains that were constructed primarily for agricultural drainage purposes. Accommodating growth into the existing infrastructure whilst maintaining standards is proving challenging.

The settlements at Picton/Waikawa lie at the base of a number of steep natural catchments that quickly accumulate and concentrate stormwater into managed watercourses that run through the urban area.

Why We Provide The Service We Do

The levels of service have been determined on the features of the Activity that are most valued by our customers:

Environmental Risks - Rainwater falling on urban areas pick-up and carry all-sorts of materials and also dissolve harmful substances into solution. The stormwater is then discharged into natural watercourses. Council owned stormwater systems must take reasonable care to prevent the conveyance of pollutants into the natural environment. Pro-active measures to prevent the deliberate and reckless tipping of contaminants into the stormwater system is undertaken by education and regulation. High risk activities are required to install interceptors into their drains and cover impermeable areas from rain. If a pollution event occurs Council will respond to mitigate the effects

and investigate the cause.

The quality of stormwater outfalls are regulated through resource consents. There is a legacy of many old and out-dated consents throughout Marlborough. A major project to consolidate, rationalise and update the legal framework is currently underway through the Blenheim Stormwater Strategy and is likely to be extended to other areas once it has been successfully implemented.

Reliable stormwater system - The efficacy of stormwater drainage can be difficult to assess as it is only required to perform at optimum capacity during relatively rare storm events. Mathematical models are used to model storms and their outcomes.

The design of the stormwater infrastructure is based on the study of historical rainfall events and the resultant flood levels to help predict the frequency that similar events will occur in the future – the average return interval (ARI). Pipes, channels, pump stations, etc are then sized to provide a level of flood protection to the community based on a chosen ARI. However, each storm event has a unique set of characteristics – the intensity and duration of the rain storm, the area over which the storm occurs, the rainfall patterns preceding the storm and changes to permeability as a result of urban infill, etc. The historical record is relatively short and it can therefore be difficult to categorise a storm by its annual return interval or accurately predict the impact it will have.

The outcome of rainfall events is also complicated by changing land use patterns and run-off characteristics from the land, weather patterns and the changing expectations and living standards of the public.

Provide a timely response - During severe storm events when flooding is predicted the Council will mobilise an Incident Management Centre to coordinate the response to emergency calls. All calls are assessed and prioritised. Those areas where there is a possibility of water entering houses or commercial buildings are given the highest priority. Second priority is given to areas where there is a possibility of water entering garages or outbuildings, followed by areas where water may pond on garden areas and roads. In the worst storms there may be little Council can do to manage the flood water as the infrastructure and natural waterways are overloaded. In these circumstances the response is to do whatever is possible to save life and reduce the damage to property.

Providing and maintaining an accurate log of responses during an emergency event can be challenging and the Council continue to refine their recording systems.

Sustainable stormwater - Responsible stewardship of major infrastructure requires the Council to repair, renew and upgrade the assets in a timely fashion and avoid accumulating a legacy of decrepit assets. Decisions have to be made as to when it is no longer cost effective to continue to repair failing assets and to replace them instead. The decision making process is influenced by the need for additional capacity, higher quality and rising standards.

Asset Description

The table below provides a summary of stormwater reticulation lengths by area:

Area	Reticulation length (Kms)
Blenheim	122.7
Picton/Waikawa	28.6
Renwick	4.9
Okiwi Bay	0.8
Riverlands	5.5
Spring Creek	3.4
Seddon/Grovetown/Anakiwa	1.3
Rai Valley	0.3
Havelock	1.4
Total	**169.1**

The total asset value for the Stormwater Drainage Activity at 30 June 2014 is $69.1 million. Detailed information on these assets, including information on levels of service performance is provided in the Stormwater Asset Management Plan.

Urban populations are required to site their building platforms at an elevation that provides them with a level of flood protection whilst the stormwater infrastructure is designed and sized to drain the water to natural or man-made water courses. Buried pipes and open channels are expensive to build and maintain and it is often expedient to use a combination of reticulation and road surfaces as secondary flow paths to channel away high rain flows.

The stormwater system is managed in close cooperation with Rivers and Drainage networks. Planning of future stormwater infrastructure must ensure the downstream water course has sufficient capacity for the proposed development.

Major Budgeted Capital Projects

The table outlines the major budgeted projects and areas of expenditure proposed for this Activity over the next 10 years. Although these items are budgeted, in some cases further public consultation will be required with the relevant community before the project is implemented. These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of this Activity section.

Areas	Major Capital Projects	Inflated value (Millions)
Blenheim	2016-25 Stormwater catchment upgrades.	$12.0
	2022-24 Pipelines at Murphys Creek.	$2.9

Emerging Issues and Expected Changes

Stormwater management in Blenheim is a challenge for the town, both currently and in the future. Many challenges are created by the flat topography and unique and sensitive receiving environments. Council has approved a stormwater strategy which provides clear direction and an integrated approach in managing Blenheim's stormwater into the future. This strategy sets out a 10 year plan of Activity and provides a comprehensive framework to manage both the quality and quantity of stormwater. It also provides for an overhaul of the resource consent structure for Blenheim's stormwater. The strategy requires clear responsibility, improved integration, rigorous monitoring and a more modern approach to regulation. Ongoing investment in the stormwater strategy is expected to return a much improved infrastructure operating in harmony with Blenheim's sensitive receiving environments. Stormwater management is a significant factor in the identification and planning of new urban development pockets as part of the Urban Development Strategy.

The impact of climate change is also a factor that is becoming increasingly important in future planning. The current indications are that extreme weather events will become more frequent and more intense. Existing design standards and infrastructure will be severely tested by changing weather patterns.

The following issues are emerging within this Activity:

- Improvement of urban stormwater systems and associated river drainage in Blenheim and Picton.
- Lack of stormwater reticulation systems in rural towns.
- Review of stormwater discharge consents.
- Urban growth.
- Climate change.
- Increasing public expectations on the performance of stormwater networks to remove flood water more quickly on or close to properties.
- Increasing public expectations for the quality of waterways into which urban stormwater is discharged.

Activity Group: Stormwater Drainage

Levels of Service 2015-25: Stormwater Drainage

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
Customer satisfaction 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".	6.6	6.7	6.7	6.7	6.8
	The number of complaints received by a territorial authority about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority's stormwater system.	2	2	2	2	1.8
System adequacy Provide a reliable stormwater service.	The number of flooding events that occur in a territorial authority district.	Actual number to be reported	Actual number to be reported	Actual number to be reported	Actual number to be reported	Actual number to be reported
	For each flooding event, the number of habitable floors affected, expressed per 1000 properties connected to the territorial authority's stormwater system.	3	3	3	3	2.8
Discharge compliance Minimise the environmental risks of stormwater discharge.	Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of: (a) abatement notices (b) infringement notices (c) enforcement orders, and (d) convictions, received by the territorial authority in relation those resource consents.	Nil	Nil	Nil	Nil	Nil
Response times Provide a service that is timely and responsive to customers' needs.	The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site.	1 hour	1 hour	1 hour	1 hour	1 hour

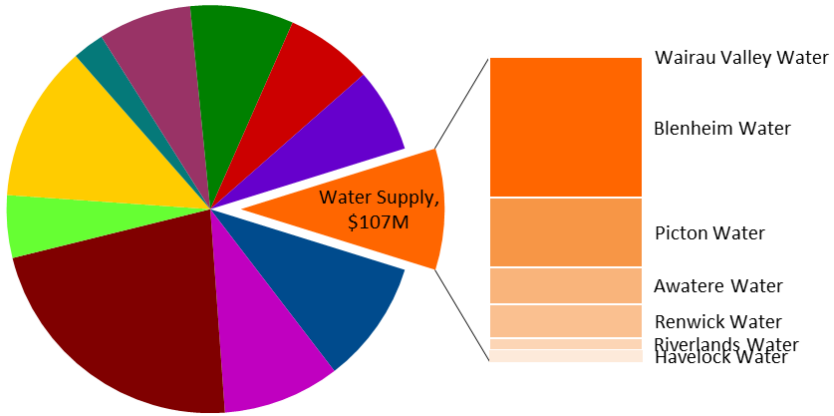
Activity Group: Stormwater Drainage

Funding Impact Statement for 2015-25 Stormwater drainage	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	1,526	1,671	1,842	1,949	2,049	2,159	2,268	2,385	2,518	2,655	2,813
Fees and charges	51	51	52	54	55	57	58	60	62	64	67
Other receipts	167	165	173	176	177	180	183	186	189	191	194
Total operating funding	1,744	1,887	2,067	2,179	2,281	2,396	2,509	2,631	2,769	2,910	3,074
Applications of operating funding											
Payments to staff and suppliers	379	260	254	262	270	279	288	299	310	322	335
Finance costs	24	23	21	20	18	16	14	12	9	147	332
Internal charges and overheads applied	164	722	740	757	763	775	787	802	817	834	851
Total applications of operating funding	567	1,005	1,015	1,039	1,051	1,070	1,089	1,113	1,136	1,303	1,518
Surplus (deficit) of operating funding	1,177	882	1,052	1,140	1,230	1,326	1,420	1,518	1,633	1,607	1,556
Sources of capital funding											
Development and financial contributions	40	50	51	53	54	56	57	59	61	63	65
Increase (decrease) in debt	(20)	-	-	-	-	-	-	-	-	4,000	1,500
Total sources of capital funding	20	50	51	53	54	56	57	59	61	4,063	1,565
Applications of capital funding											
Capital expenditure to meet additional demand	51	51	52	54	55	57	58	60	319	1,835	67
Capital expenditure to improve the level of service	1,020	20	533	21	562	578	23	615	1,357	2,049	1,337
Capital expenditure to replace existing assets	69	76	629	91	664	692	92	844	1,559	1,858	1,626
Increase (decrease) in reserves	57	785	(111)	1,027	3	55	1,304	58	(1,541)	(72)	91
Total applications of capital funding	1,197	932	1,103	1,193	1,284	1,382	1,477	1,577	1,694	5,670	3,121
Surplus (deficit) of capital funding	(1,177)	(882)	(1,052)	(1,140)	(1,230)	(1,326)	(1,420)	(1,518)	(1,633)	(1,607)	(1,556)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Reconciliation											
Total applications of operating funding	567	1,005	1,015	1,039	1,051	1,070	1,089	1,113	1,136	1,303	1,518
plus - Depreciation and amortisation	1,206	1,303	1,440	1,501	1,551	1,612	1,670	1,734	1,818	1,931	2,044
Expenditure as per Income Statement	1,773	2,308	2,455	2,540	2,602	2,682	2,759	2,847	2,954	3,234	3,562
Operating expenditure											
Blenheim Stormwater	1,252	1,703	1,820	1,884	1,931	1,994	2,053	2,120	2,206	2,461	2,765
Other Stormwater Schemes	521	604	635	655	671	688	706	727	749	773	798
Capital expenditure (including vested assets):											
Blenheim Stormwater	1,240	296	1,366	321	1,441	1,491	343	1,690	3,412	5,925	3,221
Other Stormwater Schemes	50	51	53	55	56	58	59	66	66	69	70

Water Supply

Operating Costs

The operating costs for the Water Supply Group of Activities represents $107 million of total Council expenditure.



Major Budgeted Capital Projects

The major capital projects for the Water Supply Group of Activities are:

Areas	Major Capital Projects	Inflated value (Millions)
Blenheim	2015-16 New reservoir at high Taylor Pass area.	$2.6
	2015-25 Fire capacity pipeline upgrades.	$2.5
	2015-17 Strengthen of Wither reservoir.	$1.5
Havelock	2021-23 New treatment plant.	$3.6
	2017-19 Construction of additional reservoir.	$0.5
	2017-19 Universal water meters.	$0.3
Picton	2015-16 New pump station, reservoir, pipelines and treatment plant at Speeds Road.	$2.0
	2016-23 Universal water meters.	$2.8
	2022-23 New pipelines at Essons Barnes.	$1.8
Renwick	2016-18 New reservoir.	$2.5
	2016-19 Universal water meters.	$0.7
	2019-21 New treatment plant.	$10.2
	2021-22 New wells and pipelines to treatment plant.	$1.8
Awatere	2016-18 Water treatment for Seddon township and point of entry treatment for rural properties as per DWSNZ.	$6.1
	2020-21 New reservoir at Dashwood.	$0.5
Riverlands	201-17 Upgrade existing reservoir and wells.	$0.3

These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of this Activity section.

Activity Group: Water Supply

Rationale for the Delivery of Water Supply Group of Activities

It is mandatory that Water Supply is an Activity Group.

Changes to Water Supply Activity Group from the 2014-15 Annual Plan

There are no changes to this Activity Group.

Intended Changes to Levels of Service from the 2014-15 Annual Plan

The table describes any intended changes to the levels of service within the group from the levels of service displayed in the 2014-15 Annual Plan. The reasons for the intended changes are also described.

2014-15 Annual Plan	2015-25 LTP	Reason for changes
Activity: Water Supply		
Provide a level of water quality that meets community needs and is appropriate to the degree of public health risk.	Safety of drinking water.	To reflect new national mandatory performance measure.
None.	Maintenance of the reticulation network.	To reflect new national mandatory performance measure.
None.	Fault response times.	Provide a service that is timely and responsive to customers' needs.
None.	Customer satisfaction.	Provide a service that is timely and responsive to customers' needs.
None.	Demand management.	Provide a service that is timely and responsive to customers' needs.
Provide a sustainable water supply.	None.	Level of service to be maintained, but reporting to be covered by new 'Essential Services Benchmark' as per the Local Government (Financial Reporting and Prudence) Regulations 2014, section 10d.

Variation Between Long Term Plan and the Assessment of Water and Sanitary Services

There is no significant variation between the adopted assessment of water and sanitary services and this Plan.

Significant Negative Effects Associated with this Group of Activities

This Activity Group may involve the potential for environmental impact or the operation of noisy machinery, earthmoving or construction works, which may impact on the environment and can result in temporary disruptions to daily life. Where resource consents are required for these activities, controls are imposed as appropriate.

Activity: Water Supply

Activity: Water Supply

Operating costs of this Activity represents approximately 9.6% of total Activity expenditure.

How this Activity Contributes to Related Community Outcomes

This Activity contributes to the Community Outcomes of Environment, Economy and Living by:

Outcome	Sub-outcome	Major linkages	Secondary linkages
Environment	Sustainable resource management Control over pollution levels, forms and effects Systems for protection and care	Planned, efficient water reticulation helps ensure a scarce resource can be sustainably managed. Water is essential for much of Marlborough's economy. Water supply is a key factor in housing location. Drinking water can present very serious health risks if not of good quality.	The health of the community. Community safety through the firefighting capability of the water supply system. Industrial and residential development.
Economy	Increasing GDP per FTE Ability to transform Productivity		
Living	Health Access to quality housing		

What is this Activity About?

Council drinking water supplies are necessary so that larger communities can receive an adequate supply of potable, ie; drinkable water thereby contributing cost effectively to:

- The health of the community.
- Minimising adverse environmental effects.
- Community safety through the fire fighting capability of the water supply system.
- Industrial and residential development.

What We Do and Where We Do It

Council operates seven drinking water supply schemes in Blenheim, Picton, Havelock, Renwick, Riverlands, Wairau Valley and Awatere (including Seddon). Council also operates a piped irrigation scheme for the Southern Valleys' area (see Regional Development Activity Group) of the Wairau Plains and provides a small irrigation supply to the Riverlands area. Providing reticulated irrigation supply enables a wider range of land uses contributing to the economic wellbeing of the community.

Around 82% of the population of Marlborough are supplied from Council reticulated supplies. Underground water reticulation systems are expensive to install and maintain and are only cost effective at a certain level of population density. The Awatere water supply scheme for example was initiated as rural water scheme predominantly to provide water for stock. It has a similar length of reticulation as Blenheim but only 7% of the population. Funding depreciation and upgrades (particularly to meet drinking water standards) is an ongoing issue for schemes of this sort.

Many of the smaller Marlborough settlements have individual private boreholes, springs, surface water abstraction, rainwater harvesting or are part of a small community run scheme.

Drinking Water	Source	Reticulation Length (kms)	Service connections	Current Treatment	Current Compliance with DWSNZ
Awatere (including Seddon)	Black Birch Stream	153	748	MIOX (chlorine) disinfection meeting compliance for bacteriological section of Drinking Water Standards.	No.[7]

[7] Protozoal compliance not met. An application for Drinking Water CAP funding is being made to Ministry of Health for the 2015 subsidy round to assist funding for treatment of water to Seddon.

Drinking Water	Source	Reticulation Length (kms)	Service connections	Current Treatment	Current Compliance with DWSNZ
Blenheim	Grove Road, Bomford Street, Auckland Street, and Middle Renwick Road wells	185	10,441	pH correction, UV disinfection at Middle Renwick Road and Central Water Treatment Plant.	Yes.
Picton	Speeds Road wells Barnes Dam (river)	61	2,444	Filtration, chlorination and pH correction.	No.[8]
Havelock	Kaituna wells	10	525	Chlorination.	No.[9]
Renwick	Terrace Road wells	17	818	Chlorination and pH correction.	No.[9]
Riverlands	Malthouse and Hardings wells	10	112	-	No: micro-biological
Wairau Valley	Well	3	60	Chlorination.	No.[9]

Irrigation	Source	Reticulation length (kms)	Area (hectares)
Riverlands	Hardings Road well	3	52

[8] Compliance required by 2014. Will be compliant on completion of upgrading Speeds Road treatment plant by the end of 2015.

[9] Havelock and Renwick compliance required by 2014. Wairau Valley compliance required by 2015 but delayed. Compliance with DWSNZ continues to require significant capital expenditure which has affordability issues for smaller communities.

Why We Provide The Service We Do?

The Levels of Service have been determined on the features of a water supply scheme that are most valued by our customers.

Water quality – Since the introduction of the Health (Amendment) Act 2007 water suppliers have been required to plan to meet the Drinking Water Standards for New Zealand (DWSNZ). Compliance is phased over a number years depending on the population each scheme serves. The DWSNZ are very detailed and complex covering bacteriological, protozoal, chemical, and physical parameters. The standards insist on a thorough sampling regime from the source water, treatment plant and the distribution network. Council take well over 2000 water samples every year to monitor the water quality.

Possibly the greatest threat to public health is the bacteriological infection of the drinking water supply. The detection of the bacteria E.coli is a reliable and readily detected indicator of bacteriological contamination. E.coli is a bacteria found in the gut of all warm blooded animals. Scrupulous sampling techniques are required to ensure representative samples are collected from the treatment plants and the distribution network. Early detection of E.coli immediately provokes a confirmatory sampling programme of the area of supply to verify the initial result and extent of the contamination. If confirmed an emergency disinfection and flushing programme is initiated to clear the supply and an advisory 'Boil Water Notice' is issued to all affected customers. The procedures are maintained until three consecutive days of negative samples indicate the problem has been resolved. Awatere water is abstracted from an upland river catchment. A MIOX water disinfection plant was installed in 2012 to improve the bacteriological quality of the Awatere supply although the treatment is insufficient to meet the requirements of DWSNZ.

Flow and pressure - Customers value an unlimited supply of water at a desirable pressure for showers, domestic irrigation and multiple household outlets. The Firefighting Code of Practice also recommends certain flows and pressures from hydrants to facilitate firefighting. The pressure of the delivered water decreases as demand increases. Pumps and pipes are therefore sized to deliver the minimum levels on peak demand day. Due to either recent rapid growth or a legacy of undersized pipework there are small areas in Blenheim, Picton, Renwick and Havelock that do not achieve the minimum standard during the peak days of summer. Pipe upgrades will be required to alleviate these occasional problems. Achievement of the minimum pressures can be monitored through advanced mathematical models of the distribution network. Awatere and Wairau Valley networks were not designed to meet the Firefighting Code and are not included in this metric.

In the steep hills around Picton high pressure can also be problematic. In order to achieve the minimum pressure at the top of the hills the properties at the bottom of the valley will receive high pressure water. This can cause problems with domestic plumbing, increased leakage and wear and tear on fittings. Pressure zone

management is one of the options considered for water demand management.

Continuity and reliability – A constant and reliable water supply is often taken for granted, however all systems are likely to breakdown or fail from time to time. The Council cannot guarantee a 24/7 water supply but do endeavour to remedy faults as quickly as possible. All requests for service are prioritised based on the severity and impact.

Customers occasionally suffer from leaks inside their property and rely on the Council toby to turn-off the water. The Council do not routinely maintain tobies and cannot guarantee their serviceability. Customers should have a control valve fitted at the point of entry into the property for such emergencies, however Council makes best endeavours when such calls are received.

Sustainable asset management – Responsible stewardship of major infrastructure requires the Council to repair, renew and upgrade the assets in a timely fashion to avoid accumulating a legacy of decrepit assets. Decisions have to be made as to when it is no longer cost effective to repair failing assets and to replace them instead. The decision making process is influenced by the need for additional capacity, higher quality or greater security.

Asset Description

The asset base has grown considerably over the last 10 years partly to meet the growth in demand (domestic and industrial) and more recently to meet the drinking water standards required by Health (Drinking Water) Amendment Act 2007. Total asset value on 30 June 2014 was assessed as $108.9million and is depreciating at a rate of more than $2.9 million/year, a sum collected through the rating system.

Our pipe and service connection assets are identified in the preceding tables and our other assets are identified in the following tables:

Number of assets per location / Asset description	Blenheim	Picton	Renwick	Havelock	Awatere	Riverlands	Wairau Valley	Riverlands Irrigation
Borehole	9	3	3	2	0	3	1	0
Bore Pumps	9	3	3	2	0	3	1	0
Abstraction Gallery	0	0	0	0	1	0	0	0

Number of assets per location / Asset description	Blenheim	Picton	Renwick	Havelock	Awatere	Riverlands	Wairau Valley	Riverlands Irrigation
Impounding Dam	0	1	0	0	0	0	0	0
Treatment Works	2	2	1	1	1	1	1	0
Distribution Pumps	7	1	2	0	0	2	2	0
Storage Tanks	20	31	10	2	19	2	0	0
Booster Pumps	5	6	0	0	5	0	0	0
Valves	1,049	367	81	74	194	38	9	0
Hydrants	1,002	249	72	32	48	35	4	0
Meters	314	138	34	24	748	103	51	9

Major Budgeted Capital Projects

The table outlines the major budgeted projects and areas of expenditure proposed for this Activity over the next 10 years. Although these items are budgeted, in some cases further public consultation will be required with the relevant community before the project is implemented. These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of this Activity section.

Areas	Major Capital Projects	Inflated value (Millions)
Blenheim	2015-16 New reservoir at high Taylor Pass area.	$2.6
	2015-25 Fire capacity pipeline upgrades.	$2.5
	2015-17 Strengthen of Wither reservoir.	$1.5
Havelock	2021-23 New treatment plant.	$3.3
	2017-19 Construction of additional reservoir.	$0.5
Picton	2015-16 New pump station, reservoir, pipelines and treatment plant at Speeds Road.	$2.0
	2016-23 Universal water meters.	$2.8
	2022-23 New pipelines at Essons Barnes.	$1.8

Areas	Major Capital Projects	Inflated value (Millions)
Renwick	2016-18 New reservoir.	$2.5
	2016-19 Universal water meters.	$0.7
	2019-21 New treatment plant.	$9.8
	2021-22 New wells and pipelines to treatment plant.	$1.6
Awatere	2016-18 Water treatment for Seddon township and point of entry treatment for rural properties as per NZDWS.	$6.1
	2020-21 New reservoir at Dashwood.	$0.5
Riverlands	201-17 Upgrade existing reservoir and wells.	$0.3

Emerging Issues and Expected Changes

- Compliance with the DWSNZ continues to require significant capital expenditure which has affordability issues for smaller communities – eg; Awatere, Renwick, Wairau Valley, and Havelock. Upgrades to treatment plants to meet the DWSNZ have been delayed. Council is applying to the Ministry of Health for a Drinking-water subsidy for the Seddon supply to reduce the cost of implementing treatment for the Seddon community.
- Growth in demand for water causes supply capacity issues, in particular for Picton, Renwick and Havelock. Therefore demand management techniques are being considered including universal metering, pressure zone management and leakage control.
- Infrastructure renewal is becoming necessary across all networks as pipelines near the end of their useful life. In particular for older networks as in the Awatere.
- Water drawn from the Havelock supply wells exhibited a prolonged period of elevated chloride in 2013 and there is a concern that this could reoccur. The water is safe to drink but if the concentration of chloride increases in future, it may be able to be tasted and also cause corrosion of plumbing.

Traditionally many people in New Zealand have regarded water as an unlimited resource and for many it is a commodity that is purchased at such a low cost it is virtually free. The water supply for residents in all areas except Awatere and Wairau Valley is unmeasured and generally unrestricted. It is supplied at a pressure to meet every reasonable domestic need. It also provides a primary source of water in urban areas for firefighting.

Daily water consumption in Blenheim is around 600 litres per person as an average throughout the year but on peak days during the summer is more than double the average. The demand in the other settlements is similar to Blenheim. The summer peak is almost entirely due to irrigation of domestic gardens and other leisure uses (this compares with the city of Melbourne for example that has been actively encouraging water conservation and achieved a daily average domestic consumption 2010-11 of 140 litres/person).

Many of the costs associated with water supply are ‘fixed’ and incurred irrespective of the volumes pumped. A small proportion of operational costs such as power and chemicals are related to the volume of water pumped into the supply. Savings can be achieved by delaying major capital upgrades to meet increased demands for water. A particularly relevant example of this is the current position of the Picton water supply. Peak day demand in Picton is likely to outstrip the capacity of the existing water sources in the near future.

Investigations into additional nearby sources of water have so far been unsuccessful and the next nearest reliable source appears to be the Wairau Aquifer near Spring Creek. The cost of developing the source and laying a new pipeline from the Wairau Plain to Picton will be very high and is likely to be prohibitively expensive. The introduction of demand management techniques such as universal metering, pressure management zones and leakage control provide a realistic alternative.

The Council have adopted a passive leakage strategy. This means we attend to all reported leaks on a given time frame depending on an assessment how serious the leak is. We aim to attend major leaks in 30 minutes, serious leaks within 60 minutes and to all reported leaks within three working days. On a number of occasions the Council has adopted ‘active’ leakage control measures. Specialist contractors have been employed to search, locate and repair leaks in underground pipes that are not obvious from the surface. These projects have delivered some degree of success but are relatively costly because of the specialist equipment and skills required. Considerable care is therefore required to ensure active leak detection projects return good value for money. It is likely that the technique will be used more in the future along with other demand management techniques such as pressure control, district leakage management, public education and voluntary restraint measures. Water demand management is one of the strategies considered in areas where the water sources are stretched in times of high demand.

Firefighting capacity in some industrial/commercial areas is lower than sought by New Zealand Fire Service (NZFS). The cost of upgrades may be unaffordable requiring setting of levels of service lower than NZFS guidelines.

Activity Group: Water Supply

Levels of Service 2015-25: Water Supply

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
Customer satisfaction 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".	8				
	The total number of complaints received by the local authority about any of the following:					
	(a) drinking water clarity	1.30	1.30	1.10	1.10	1.30
	(b) drinking water taste	1.90	1.90	1.70	1.90	1.90
	(c) drinking water odour	0.65	0.65	0.60	0.65	0.65
	(d) drinking water pressure or flow	1.90	1.90	1.90	1.70	1.50
	(e) continuity of supply, and	1.30	1.30	1.30	1.30	1.30
	(f) the local authority's response to any of these issues	0.65	0.65	0.65	0.65	0.65
	expressed per 1000 connections to the local authority's networked reticulation system[10].					
Safety of drinking water Provide a level of water quality that meet community needs and is appropriate to the degree of public health risk.	The extent to which the local authority's drinking water supply complies with: (a) Part 4 of the drinking-water standards (bacteria compliance criteria), and (b) Part 5 of the drinking-water standards (protozoal compliance criteria).	Blenheim Picton Havelock Renwick Riverlands Awatere Wairau Valley	a)Y b)Y a)Y b)N a)Y b) N a)Y b) N a)Y b) N a)N b) N a)N b) N	a)Y b)Y a)Y b)Y a)Y b) N a)Y b) N a)Y b) N a)N b) N a)N b) N	a)Y b)Y a)Y b)Y a)Y b) N a)Y b) N a)Y b) N a)N b) N a)N b) N	a)Y b)Y a)Y b)Y a)Y b) Y a)Y b) Y a)Y b) N a)Y b) Y a)N b) N
Maintenance of the reticulation network	The percentage of real water loss from the local authority's networked reticulation system.[11]	Blenheim ≤44% Picton ≤48% Havelock ≤51% Renwick ≤50% Riverlands N/A Awatere ≤28% Wairau Valley ≤42%	≤44% ≤48% ≤51% ≤50% N/A ≤28% ≤42%	≤44% ≤48% ≤51% ≤50% N/A ≤28% ≤42%	≤44% ≤48% ≤51% ≤50% N/A ≤28% ≤42%	≤44% ≤48% ≤51% ≤50% N/A ≤28% ≤42%

[10] Assumes 15,591 connections. Estimated in accordance with DIA recommended option 2. Minimum Night Flow Analysis. Riverlands not included as industrial night consumption volumes not available.

[11] The water loss figures shown are based on the best available information and do not include for legitimate commercial/industrial night usage, day/night adjustment factor or system specific issues that are not currently monitored.

Activity Group: Water Supply

Levels of Service 2015-25: Water Supply

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
Fault response times Provide a service that is timely and responsive to customers' needs.	Where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured:					
	(a) attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site, and	30 minutes	30 minutes	30mins	30 minutes	30 minutes
	(b) resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.	3 hours	3 hours	3 hours	3 hours	3 hours
	(c) attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site, and	8 hours	8 hours	8 hours	8 hours	8 hours
	(d) resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.	13 hours	13 hours	13 hours	13 hours	13 hours
Demand management Provide a reliable water supply service.	The average consumption of drinking water per day per resident within the territorial authority district.	800 litres	800 litres	800 litres	800 litres	750 litres
	% of properties that receive a minimum water pressure of 300kPa at the property boundary (except in the Awatere Valley and Wairau Valley township).					
	Blenheim	99%	99%	99%	99%	99%
	Picton	99%	99%	99%	99%	99%
	Havelock	100%	100%	100%	100%	100%
	Renwick	69%	69%	69%	69%	69%
	% of system where fire flows are equal to greater 25 litres/sec.					
	Blenheim	55%	55%	55%	55%	55%
	Picton	85%	85%	85%	88%	92%
	Havelock	87%	87%	87%	87%	87%
	Renwick	100%	100%	100%	100%	100%

Activity Group: Water Supply

Levels of Service 2015-25: Water Supply

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
	% of system where fire flows are less than 12.5 litres/sec.					
	Blenheim	0.7%	0.7%	0.7%	0.5%	0.4%
	Picton	1.0%	1.0%	1.0%	1.0%	1.0%
	Havelock	0.0%	0.0%	0.0%	0.0%	0.0%
	Renwick	2.0%	2.0%	2.0%	2.0%	2.0%

Activity Group: Water Supply

Funding Impact Statement for 2015-25 Water Supply	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
Sources of operating funding											
Targeted rates (other than for water supply)	6,055	6,085	6,335	7,021	7,446	7,624	8,258	9,019	9,255	9,581	9,795
Fees, charges and targeted rates for water supply	2,790	2,853	2,854	2,855	2,856	2,857	2,858	2,859	2,860	2,861	2,862
Total operating funding	8,845	8,938	9,189	9,876	10,302	10,481	11,116	11,878	12,115	12,442	12,657
Applications of operating funding											
Payments to staff and suppliers	3,031	2,300	2,419	2,836	2,991	3,147	3,453	3,742	3,827	4,007	4,178
Finance costs	1,547	1,734	1,735	1,817	1,909	1,859	2,018	2,199	2,274	2,278	2,128
Internal charges and overheads applied	998	1,612	1,663	1,712	1,735	1,759	1,794	1,836	1,879	1,930	1,979
Total applications of operating funding	5,576	5,646	5,817	6,365	6,635	6,765	7,265	7,777	7,980	8,215	8,285
Surplus (deficit) of operating funding	3,269	3,292	3,372	3,511	3,667	3,716	3,851	4,101	4,135	4,227	4,372
Sources of capital funding											
Development and financial contributions	155	185	190	194	200	205	212	218	225	233	242
Subsidies and grants for capital expenditure	-	-	1,014	-	-	-	-	-	-	-	-
Increase (decrease) in debt	3,125	1,700	187	3,141	575	650	6,736	1,500	3,107	-	751
Total sources of capital funding	3,280	1,885	1,391	3,335	775	855	6,948	1,718	3,332	233	993
Applications of capital funding											
Capital expenditure to meet additional demand	1,022	2,861	830	1,178	455	900	3,789	1,003	2,878	101	195
Capital expenditure to improve the level of service	5,212	2,513	5,548	3,943	349	2,187	7,235	1,279	887	70	390
Capital expenditure to replace existing assets	281	826	863	912	993	389	975	961	2,525	372	620
Increase (decrease) in reserves	34	(1,023)	(2,478)	813	2,645	1,095	(1,200)	2,576	1,177	3,917	4,160
Total applications of capital funding	6,549	5,177	4,763	6,846	4,442	4,571	10,799	5,819	7,467	4,460	5,365
Surplus (deficit) of capital funding	(3,269)	(3,292)	(3,372)	(3,511)	(3,667)	(3,716)	(3,851)	(4,101)	(4,135)	(4,227)	(4,372)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Reconciliation											
Total applications of operating funding	5,576	5,646	5,817	6,365	6,635	6,765	7,265	7,777	7,980	8,215	8,285
plus - Depreciation and amortisation	2,640	2,792	3,123	3,259	3,490	3,543	3,771	4,015	4,124	4,241	4,349
Expenditure as per Income Statement	8,216	8,438	8,940	9,624	10,125	10,308	11,036	11,792	12,104	12,456	12,634

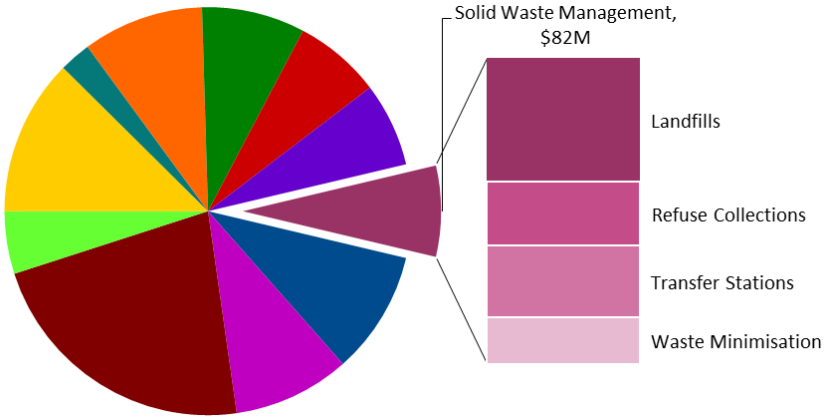
Activity Group: Water Supply

Funding Impact Statement for 2015-25 Water Supply	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
Operating expenditure											
Awatere Water	631	736	793	1,236	1,466	1,496	1,534	1,572	1,514	1,489	1,525
Blenheim Water	4,522	4,451	4,705	4,780	4,808	4,831	4,909	5,003	5,118	5,221	5,324
Havelock Water	256	249	260	282	325	354	360	376	535	682	687
Picton Water	1,962	2,101	2,243	2,274	2,294	2,403	2,515	2,548	2,554	2,628	2,631
Renwick Water	464	464	488	589	742	753	1,244	1,814	1,900	1,920	1,941
Riverlands Water	342	400	413	425	449	430	432	435	438	469	477
Wairau Valley Water	37	36	38	39	40	41	43	44	46	47	49
Capital expenditure (including vested assets):											
Awatere Water	109	575	3,946	2,354	74	35	866	13	13	38	14
Blenheim Water	949	3,173	2,211	431	913	745	1,070	1,298	847	538	1,221
Havelock Water	78	26	56	278	578	6	6	210	3,472	7	88
Picton Water	3,986	2,473	700	152	254	2,459	509	102	2,171	179	109
Renwick Water	186	20	350	2,911	188	447	9,771	1,850	24	25	25
Riverlands Water	1,399	123	173	114	1	1	1	1	1	1	1
Wairau Valley Water	3	3	6	-	-	-	-	-	-	-	-

Solid Waste Management

Operating Costs

The operating costs for the Solid Waste Management Group of Activities represents $82 million of total Council expenditure.



Major Budgeted Capital Projects

The major capital projects for the Solid Waste Management Group of Activities are:

Areas	Major Capital Projects	Inflated value (Millions)
Blenheim	2015-16 Construction of new Commercial Industrial Sorting Facility (CIF).	$3.0
	2015-16 Completion of stage 7 of Regional Landfill.	$2.2
	2019-22 Completion of stage 8 of Regional Landfill.	$5.0

These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of this Activity section.

Activity Group: Solid Waste Management

Rationale for the Delivery of Solid Waste Management Group of Activities

Solid Waste Management comprises of the full range of activities to manage solid waste, and is of sufficient size to be an Activity Group.

Changes to Solid Waste Management Activity Group from the 2011-12 Annual Plan

There are no changes to this Activity Group.

Intended Changes to Levels of Service from the 2014-15 Annual Plan

The table describes any intended changes to the levels of service within the Group from the levels of service displayed in the 2014-15 Annual Plan. The reasons for the intended changes are also described.

2014-15 Annual Plan	2015-25 LTP	Reason for changes
Activity: Solid Waste Management		
No changes.	-	-

Variation Between Long Term Plan and the Waste Management and Minimisation Plan (WMMP)

The draft WMMP 2015-21 is out for publication and the time of writing this Plan. Funding for the proposals contained within this Draft Plan is not included in this Statement of Proposal.

There is no significant variation from the adopted Waste Management and Minimisation Plan.

Significant Negative Effects Associated with this Group of Activities

This Activity Group may involve the potential for environmental impact or the operation of noisy machinery, earthmoving or construction works, which may impact on the environment and can result in temporary disruptions to daily life. Where resource consents are required for these activities, controls are imposed as appropriate.

Activity: Solid Waste Management

Activity: Solid Waste Management

Operating costs of this Activity represent approximately 7.4% of total Activity expenditure.

How this Activity Contributes to Related Community Outcomes

This Activity contributes to the Community Outcomes of Environment, People and Living by:

Outcome	Sub-outcome	Major linkages	Secondary linkages
Environment	Control over pollution levels, forms and effects Systems for protection and care Sustainable resource management	Efficient effective landfills enable environmentally safe disposal of waste. Waste education programmes play an important role in engaging the community to reduce waste outputs. Effective and accessible reuse and recycling facilities encourages and improves waste diversion.	Reduced public and environmental health risks.
People	Education Engaged and participative		
Living	Health		

What is this Activity About?

Marlborough District Council is bound by legislation to ensure that our solid waste is managed in a safe and sanitary manner reducing any potential environmental impact and protecting the public health. Council is the main provider of waste management infrastructure for the region, providing a network of seven transfer stations, central landfill, resource recovery centre, reuse centre, e waste collection facility, hazardous waste storage facility and salvage yard, all operated under contract to Council.

These facilities are designed and operated to ensure the minimum impact on people's amenity and the environment. By promoting the reduction, reuse and recycling of waste we will reduce our reliance on landfill for disposal and also have the ability to influence the direction that our waste management and minimisation plan heads.

Council also collects, through a contract, refuse and recyclables from the kerbside in Blenheim and Picton.

The Waste Situation

The region currently produces up to 55,000 tonnes of waste per annum. Of this up to 15,000 tonnes (27%) is recycled and 40,000 tonnes (73%) is sent to the Regional (Bluegums) Landfill. A breakdown of the annual diverted tonnage in the region follows:

Total Recycling:	6,500 tonnes (43%)
Composting Operation:	8,500 tonnes (57%)

The transfer stations and the resource recovery centre provide the opportunity for source segregation of recyclables by the public.

The Bluegums landfill site is an engineered containment facility for the depositing of waste residues. It has an estimated lifespan of 53 years based on current waste inputs. It is likely that the lifespan will be further extended if the projects outlined below proceed.

A composting facility is operating on leased council land adjacent to the Blenheim transfer station and currently takes green waste deliveries from the public and private contractors. The operation of this facility was tendered during 2014 and a new contract starts on the 1 January 2016. The intention is to stop actual composting at this site. Instead, greenwaste material will be received and transported to an alternative location for processing. Compost products will still be made available for resale to the public from this location.

Hazardous waste materials, such as oils, paints, and solvents can be dropped at each of the transfer stations. These materials are then collected and returned to a storage facility adjacent to the Blenheim transfer station pending onward movement for disposal or recycling.

The region has a number of clean fill sites for the disposal of materials such as brick, concrete, rubble and non-contaminated soils. In addition the region has a number of scrap yards for the receipt of ferrous and non-ferrous metals as well as scrap vehicles. These sites are operated by private contractors.

Waste Management and Minimisation Plan (WMMP)

The Council is the territorial authority for the Marlborough District and as such is required to develop, adopt, maintain and review a WMMP. This document has been reviewed and updated during 2014-15 and sets out the strategy for managing and minimising the District's waste for the period 2015 to 2021.

The WMMP sets out a number of options/goals to be worked on over the next three year period. The major options/goals are listed in the following table.

Option	Comment
4	Convert the Blenheim transfer station into a commercial industrial sorting facility (CIF) by 2016.
11	Work with the private sector to maximise the throughput and diversion levels at the CIF.
13	Review existing methods of communication with the community.
15	Continue to work with industry sectors on the development of sustainable solutions for forest skid sites, mussel shells and grape marc.

The Waste Levy

The Waste Minimisation Act 2008 introduced a waste levy to all disposal sites. The current rate is $10 per tonne of waste sent to the landfill. This charge is paid for by the depositor of the waste who could be a private contractor, business or Council on behalf of the ratepayer. The collection of this charge is administered by the Ministry for the Environment. The effectiveness of the waste disposal levy is also reviewed by the Ministry every three years. The latest review took place in 2014. An extract from the Ministry website summarises their finding:

"The 2014 review of the effectiveness of the waste disposal levy was completed on 1 July 2014.

The review focused on whether the levy is being applied fairly and correctly, and how to ensure a level playing field for those paying the levy.

Another priority was to assess the impact that levy funding is having. At the current rate of $10 per tonne (plus GST) the levy generates about $25 million each year. Half of this money is distributed to territorial authorities for waste minimisation initiatives. The rest (minus administration costs) is allocated to projects through the Waste Minimisation Fund.

Review findings

The review found:

- *more and better data is needed to measure the impact the levy is having on waste minimisation.*
- *data that is available indicates that the levy is currently only applied to an estimated 30 per cent of total waste disposed of to land.*
- *changes should be investigated to ensure the levy is applied to a greater proportion of waste being disposed of to land and to ensure that issues of interpretation are clarified. Such changes will ensure a level playing field for those paying the levy.*
- *the processes around collecting and distributing levy revenue appear to be effective.*
- *levy funding has supported a broad range of waste minimisation initiatives. More could be done to ensure funding is directed towards strategic priorities and that funding outcomes are being effectively measured and monitored.*

Review Recommendations

The review made 11 recommendations to:

- *improve the quality and quantity of waste data.*
- *ensure the levy is applied consistently by disposal facility operators.*
- *improve the coverage of the levy.*
- *better measure and evaluate the outcomes of levy funding.*
- *ensure funding is available for New Zealand's strategic waste priorities.*
- *improve our understanding of the incentives for waste minimisation.*
- *promote user-pays pricing systems for waste disposal".*

Whilst no increase in the Waste Disposal Levy was signalled at present there is a possibility that the $10 per tonne rate could increase in the years ahead. In order to protect the region from legislative increases in disposal costs and our reliance on landfill Council are proposing the introduction of a Commercial and Industrial Sorting Facility (CIF).

Commercial Industrial Sorting Facility (CIF)

Reducing our reliance on landfill as a means of managing our waste will be the immediate challenge for the region over the next few years. Whilst our current infrastructure provides a sustainable solution for domestic recycling we do not have an alternative to landfill for commercial and industrial waste. Whether the government is to increase the waste disposal levy or the carbon price, these costs would fall direct to the community. Council is therefore proposing the establishment of a Commercial and Industrial Sorting Facility (CIF) that would allow us to divert up to 8,000 tonnes of material away from the landfill and provide some cost certainty for the future. These diverted materials would include brick, soil rubble, plastics, glass, cardboard, wood, metal, GIB, and clothing. The CIF will be paid for through a user pays gate fee and is included in the draft 2015-25 Long Term Plan.

Emissions Trading Scheme (ETS)

The landfill generates and emits gas as a by-product of the decomposition of the waste. Under the Climate Change Regulations (2002) the emissions are now subject

to a surrender obligation where carbon credits are traded against the tonnage of emissions. The landfill has a flare and associated collection system which burns the gas on site. The efficiency of this system along with the percentage of biodegradable material within the incoming waste has been assessed and is used to allow the site to define its Unique Emissions Factor (UEF). This UEF has allowed the site to reduce its liability for carbon credits from a default of 49,400 tonnes to a surrender value of 13,740 tonnes. This value is further reduced to an actual surrender value of 6,870 tonnes based on the current two for one option which is due to expire in December 2015.

Asset Description

The Council's principal assets supporting this Activity are the regional landfill facility, the network of transfer stations and the Resource Recovery Centre/Re-Use shop facility. The CIF, if approved, will also form part of the assets.

Major Budgeted Capital Projects

The table outlines the major budgeted projects and areas of expenditure proposed for this Activity over the next 10 years. Although these items are budgeted, in some cases further public consultation will be required with the relevant community before the project is implemented. These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of this Activity section.

Areas	Major Capital Projects	Inflated value (Millions)
Blenheim	2015-16 Construction of new Commercial Industrial Sorting Facility (CIF).	$3.0
	2015-16 Completion of stage 7 of Regional Landfill.	$2.2
	2019-22 Completion of stage 8 of Regional Landfill.	$5.0

Emerging Issues and Expected Changes

The introduction of the CIF will reduce our reliance on landfill as a means for handling our waste and boost our diversion levels from 27% to 42% by June 2017.

The change in operational practice at the compost site, from 2016 onwards, will provide an opportunity to expand the volume of greenwaste processed in the region.

The bag contents from the kerbside collection of refuse have been assessed on a number of occasions. Results consistently show that up to 25% of weight of the bag contents are food waste. Council intend to investigate the reduction of this waste through a combination of community trials, home composting and education awareness programmes.

The introduction of recycling services to the areas of Renwick, Grovetown, Spring Creek, Tua Marina, Rapaura and Rarangi has also been trailed during 2014 through the provision of recycling containers for the collection of cardboard/paper, cans, glass and plastics. A proposal to make this service permanent will be included in the draft 2015-25 Long Term Plan. If accepted the new system would be rolled out on 1 July 2015 and would be paid for through general rates. This service will divert over 300 tonnes of material per year.

Activity Group: Solid Waste Management

Levels of Service 2015-25: Solid Waste Management

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
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".	7.6	7.6	7.6	7.6	7.6
Reduce the amount of waste sent to the landfill.	% growth in diverted material throughput at the Resource Recovery Centre (RRC).	4,425 tonnes	2.5% growth from 2014-15	5% growth from 2014-15	10% growth from 2014-15	2.5% growth year on year
	% growth in sales at the Reuse Shop.	$100k (incl GST)	2.5% growth from 2014-15	5% growth from 2014-15	7.5% growth from 2014-15	2.5% growth year on year
	% growth in tonnage diversion from the Commercial Industrial Sorting facility (CIF). (Note this facility will not open until July 2016)	New measure	0	0	8,000 diverted after year 1 of operation	2.5% growth year on year
	Amount of organic material composted.	14,000	2.5% on 2014-15 baseline	5% on 2014-15 baseline	7.5% on 2014-15 baseline	2.5% growth year on year
Effective operation of waste management and minimisation services.	Number of resident's complaints in regards to Bluegums Landfill operations.	12 per annum	<11	<10	<9	<8 year on year
	% of Kerbside Refuse and Recycling Collection Service complaints/missed lifts.	13,200 households	< 1% of 2014-15	< 1% of 2014-15	< 1% of 2014-15	< 1% of 2014-15
	Number of resident's complaints in regards to Compost operation	12 per annum	<11	<10	<9	<8 year on year
	Number of resident's complaints in regards to the transfer stations, Reuse Centre, Resource Centre, ewaste facility, coin skips and salvage yard.	24 per annum	<20	<18	<16	<14 year on year

Activity Group: Solid Waste Management

Funding Impact Statement for 2015-25 Solid Waste Management	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	1,130	1,285	1,348	1,364	1,371	1,379	1,382	1,379	1,385	1,391	1,407
Targeted rates	1,427	1,379	1,406	1,433	1,463	1,483	1,536	1,578	1,628	1,671	1,716
Subsidies and grants for operating purposes	125	135	138	142	146	150	154	159	165	170	176
Fees and charges	4,344	4,583	5,039	5,167	5,309	5,461	5,622	5,802	5,985	6,199	6,422
Other receipts	110	930	131	128	123	120	116	112	109	105	102
Total operating funding	7,136	8,312	8,062	8,234	8,412	8,593	8,810	9,030	9,272	9,536	9,823
Applications of operating funding											
Payments to staff and suppliers	5,101	4,861	5,045	5,146	5,257	5,363	5,486	5,607	5,766	5,921	6,091
Finance costs	418	467	511	478	444	409	372	332	297	264	229
Internal charges and overheads applied	541	979	1,004	1,024	1,041	1,051	1,069	1,091	1,114	1,141	1,167
Other operating funding applications	505	407	334	334	334	335	335	335	335	335	336
Total applications of operating funding	6,565	6,714	6,894	6,982	7,076	7,158	7,262	7,365	7,512	7,661	7,823
Surplus (deficit) of operating funding	571	1,598	1,168	1,252	1,336	1,435	1,548	1,665	1,760	1,875	2,000
Sources of capital funding											
Increase (decrease) in debt	(382)	2,176	53	-	-	-	-	-	-	-	-
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	(382)	2,176	53	-	-	-	-	-	-	-	-
Applications of capital funding											
Capital expenditure to meet additional demand	161	211	-	-	-	22	24	442	-	-	-
Capital expenditure to improve the level of service	1,630	5,039	-	-	-	199	214	3,979	-	-	259
Capital expenditure to replace existing assets	-	45	53	11	8	166	210	-	19	-	28
Increase (decrease) in reserves	(1,602)	(1,521)	1,168	1,241	1,329	1,048	1,100	(2,755)	1,741	1,875	1,713
Total applications of capital funding	189	3,774	1,221	1,252	1,337	1,435	1,548	1,666	1,760	1,875	2,000
Surplus (deficit) of capital funding	(571)	(1,598)	(1,168)	(1,252)	(1,337)	(1,435)	(1,548)	(1,666)	(1,760)	(1,875)	(2,000)
Funding balance	-	-	-	-	(1)	-	-	(1)	-	-	-
Reconciliation											
Total applications of operating funding	6,565	6,714	6,894	6,982	7,076	7,158	7,262	7,365	7,512	7,661	7,823
plus - Depreciation and amortisation	335	345	1,206	1,208	1,210	1,221	913	931	918	927	930
Expenditure as per Income Statement	6,900	7,059	8,100	8,190	8,286	8,379	8,175	8,296	8,430	8,588	8,753

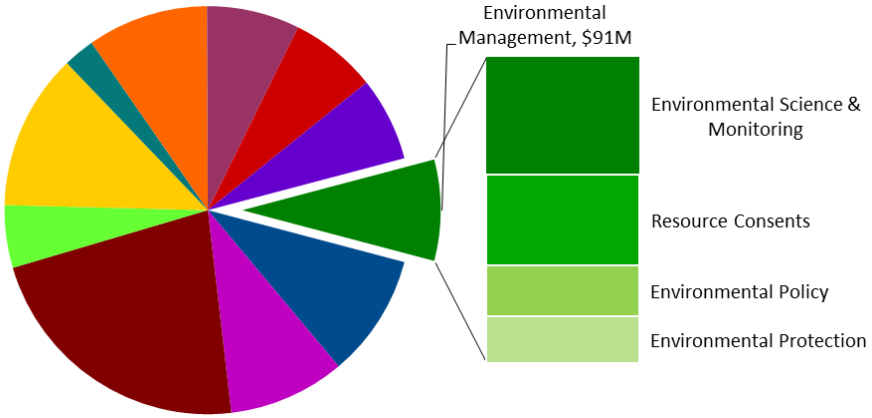
Activity Group: Solid Waste Management

Funding Impact Statement for 2015-25 Solid Waste Management	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
Operating expenditure											
Landfills	2,888	2,805	3,487	3,503	3,519	3,540	3,226	3,246	3,276	3,321	3,365
Refuse Collections	1,633	1,552	1,581	1,612	1,646	1,670	1,727	1,775	1,830	1,878	1,930
Transfer Stations	1,385	1,515	1,835	1,862	1,892	1,923	1,958	1,995	2,034	2,076	2,120
Waste Minimisation	994	1,188	1,197	1,213	1,229	1,245	1,263	1,280	1,290	1,314	1,338
Capital expenditure:											
Landfills	1,669	2,253	53	11	8	388	238	4,421	19	-	287
Refuse Collections	122	-	-	-	-	-	210	-	-	-	-
Transfer Stations	-	2,952	-	-	-	-	-	-	-	-	-
Waste Minimisation	-	90	-	-	-	-	-	-	-	-	-

Environmental Management

Operating Costs

The operating costs for the Solid Waste Management Group of Activities represents $91 million of total Council expenditure.



Major Budgeted Capital Projects

The major capital projects for the Environmental Management Group of Activities are:

Activity	Major Capital Projects	Inflated value (Millions)
Environmental Policy	2015-16 Development of E-Planning capabilities for water management. The costs represent 50% of the total project cost, with the remainder being funded by Central Government via the Community Environment Fund.	$0.2
Environmental Science and Monitoring	2015-25 Telemetry field equipment.	$1.7

These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of each Activity section.

Activity Group: Environmental Management

Rationale for Grouping these Activities

Marlborough's social and economic wellbeing relies on the use, development and protection of natural and physical resources. The Environmental Management Activity group is responsible for enabling appropriate use of land, water, air, indigenous ecosystems and the built environment, while protecting the environment within which resource use occurs. This service is delivered through the implementation of the Resource Management Act (RMA) requirements.

Each Activity delivers separate services under the RMA, but each of these services plays an integral role in a wider system of environmental management. This system can be described as the Plan-Do-Monitor-Review cycle and is represented by the following diagram:

The role of the Environmental Policy Activity is to develop, maintain and review a resource management framework consisting of a Regional Policy Statement (RPS), a Regional Coastal Plan, Regional Plans and a District Plan. Note that the Council has combined these plans into a single, integrated Resource Management Plan (RMP). The planning documents play an important role in strategically guiding the use, development and protection of natural and physical resources by enabling appropriate resource use (through the use of permitted activity rules and through the allocation of public resources) and by identifying the circumstances under which resource consent is required.

The resource management framework is implemented by the Resource Consent Activity through the processing of resource consent and certificate of compliance applications and through the provision of planning information. The processing of resource consent applications utilises the guidance provided by the planning documents to ensure that any adverse effects of resource use are appropriately managed. Non regulatory methods specified in the planning documents are also being implemented by various parts of the Council. This is the "Do" part of the cycle.

The Council monitors the effect of implementing regulatory and non-regulatory methods by monitoring compliance with the conditions of permitted activity rules and resource consents, and by monitoring the state of the Marlborough environment. This monitoring is undertaken by the Environmental Protection and the Environmental Science and Monitoring Activities respectively. The results of the monitoring allow conclusions to be drawn about the efficiency and effectiveness of the resource management framework. This is the "Review" part of the cycle.

If the objectives established in the planning documents are not being achieved, then this signals the need to adjust or change the planning provisions through further planning, completing the Plan-Do-Monitor-Review cycle.

It is important to note that as a unitary authority, the Council has the functions of both a regional Council and a territorial authority. This influences the way in which the Environmental Management Activity group delivers its services. It means that the full suite of planning documents required under the RMA must be prepared and that all resource consents required under the planning documents are processed by one consent authority. This allows the Group to integrate the management of land use (for which territorial authorities are generally responsible for) with the management of other natural resources (for which regional councils are responsible for), leading to reduced costs to resource users and improved environmental outcomes.

Review Processes

It is important to note that the Council is currently reviewing its operative resource management framework. A new regional policy statement and resource management plan will be notified in 2015. These documents will commence to have effect from notification, which will influence the way in which activities in the Environment Management Group deliver their services. In some cases, there may be substantial changes to the services or the way in which they are delivered. The nature of these changes cannot be confirmed until the new planning documents are made operative.

National Policy Statement: Freshwater Management 2014

The Council is required to give effect to the National Policy Statement: Freshwater Management 2014 (NPSFW) through its own resource management documents by December 2015. The overall aim of the NPSFW is for limits to be set for the use of freshwater resources, from both a water quantity and water quality perspective, and to involve iwi in that planning process. The water quantity aspects are to be given effect to through the current review of the Council's operative resource management framework, with a new RPS/RMP to be publicly notified in July 2015. With respect to water quality aspects, the Council has adopted and publicly notified a staged implementation programme to establish freshwater quality limits. The requirement to account for all contaminant discharges by 2017, and to set cumulative limits for those

discharges by 2025, are significant new activities for this Group. The development of a work programme for these activities is currently being scoped but has not advanced to a point where the costs of technical investigations, community and iwi engagement, planning processes and implementation plans are able to be established. The budget implications of this mandatory work will be identified through either changes to this LTP or through the annual planning process, depending on the significance of the budget.

Measuring Success

Monitoring the state of the Marlborough environment is a statutory requirement under the RMA. The data the Council collects is reported on an annual basis.

The data is also used to monitor the effectiveness and efficiency of the policies and methods included in the resource management framework. Again, this monitoring is a statutory requirement under the RMA. The planning documents set environmental results anticipated as a result of the implementation of the policies and methods.

The State of the Environment Report data is used to assess whether the specified results have been achieved and, as a result, whether the provisions are effective or efficient in resolving or managing the environmental issue they are addressing. The results of this monitoring must be reported at intervals of not more than five years.

Increasingly, monitoring is having to be undertaken to meet national requirements as part of the Government's national State of the Environment reporting system.

A comprehensive set of anticipated environmental results has been developed for inclusion in the new RPS. A measurable indicator has been specified for each result. Given this process, which is a statutory requirement, it is not necessary to set environmental performance indicators in the Long Term Plan.

Changes to Environmental Management Activity Group from the 2014-15 Annual Plan

There are no changes to this Activity Group.

Intended Changes to Levels of Service from the 2014-15 Annual Plan

The table describes any intended changes to the levels of service within the group from the levels of service displayed in the 2014-15 Annual Plan. The reasons for the intended changes are also described.

2014-15 Annual Plan	2015-25 LTP	Reason for changes
Activity: Environmental Policy		
None.	Freshwater quality limits are set for all water management units.	New level of service due to requirements of National Policy Statement Freshwater Management 2014.
Activity: Environmental Science and Monitoring		
Effective environmental monitoring network is operated.	Effective real time environmental monitoring network is operated.	Minor wording change to reflect new Level of Service.

Significant Negative Effects in this Group

Potential negative effects in terms of sustainable management of our physical and natural resources may result through ineffective monitoring of the environment and/or inadequate resource management policy with potential flow-on social and economic impacts on the community.

Activity Group Funding Impact Statement

The following Funding Impact Statement (FIS) is for the Activity Group, throughout this section a separate FIS is included for each Activity and these should be referred to for more detailed information.

Activity Group: Environmental Management

Funding Impact Statement for 2015-25 ENVIRONMENTAL MANAGEMENT	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	5,967	6,003	6,220	6,400	6,560	6,673	6,842	7,024	7,173	7,426	7,647
Fees and charges	1,401	1,495	1,538	1,577	1,620	1,672	1,721	1,782	1,840	1,910	1,979
Internal charges and overheads recovered	88	88	88	88	88	88	88	88	88	88	88
Other receipts including fines	715	670	585	581	568	560	556	554	545	540	534
Total operating funding	8,171	8,256	8,431	8,646	8,836	8,993	9,207	9,448	9,646	9,964	10,248
Applications of operating funding											
Payments to staff and suppliers	6,207	5,840	6,024	6,151	6,286	6,429	6,583	6,751	6,930	7,142	7,345
Finance costs	-	10	15	20	25	30	29	28	30	32	30
Internal charges and overheads applied	1,961	2,206	2,289	2,361	2,412	2,412	2,462	2,528	2,598	2,687	2,765
Other operating funding applications	15	15	-	-	-	-	-	-	-	-	-
Total applications of operating funding	8,183	8,071	8,328	8,532	8,723	8,871	9,074	9,307	9,558	9,861	10,140
Surplus (deficit) of operating funding	(12)	185	103	114	113	122	133	141	88	103	108
Sources of capital funding											
Increase (decrease) in debt	-	-	154	-	162	-	-	-	83	-	-
Total sources of capital funding	-	-	154	-	162	-	-	-	83	-	-
Applications of capital funding											
Capital expenditure to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure to improve the level of service	3	153	3	3	3	3	-	-	-	-	-
Capital expenditure to replace existing assets	150	150	154	158	162	167	175	181	186	189	196
Increase (decrease) in reserves	(165)	(118)	100	(47)	110	(48)	(42)	(40)	(15)	(86)	(88)
Total applications of capital funding	(12)	185	257	114	275	122	133	141	171	103	108
Surplus (deficit) of capital funding	12	(185)	(103)	(114)	(113)	(122)	(133)	(141)	(88)	(103)	(108)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Reconciliation											
Total applications of operating funding	8,183	8,071	8,328	8,532	8,723	8,871	9,074	9,307	9,558	9,861	10,140
plus - Depreciation and amortisation	93	100	168	177	176	184	195	203	152	166	172
less - Internal charges and overheads recovered	88	88	88	88	88	88	88	88	88	88	88
Expenditure as per Note 1	8,188	8,083	8,408	8,621	8,811	8,967	9,181	9,422	9,622	9,939	10,224

Activity: Environmental Policy

Activity: Environmental Policy

Operating costs of this Activity represents approximately 1.4% of total Activity expenditure.

How this Activity Contributes to Related Community Outcomes

This Activity contributes primarily to the Community Outcome of Governance, Environment, People, Economy, Mobility and Living.

Outcome	Sub-outcome	Major linkages	Secondary linkages
Governance	Inclusive Enabling Participative Transparent Strategic	The current review of the operative resource management framework, and the collaborative approach of involving the community in the process, will ensure that the planning policy and provisions remain current and reflect the aspirations of the Marlborough community.	-
Environment	Attractive Control over pollution levels, forms and effects Systems for protection and care Sustainable resource management	By strategically guiding appropriate use, development and protection of Marlborough's natural and physical resources, including land, water, air, indigenous ecosystems and the built environment, the resource management framework enables environmentally sustainable economic development. This includes	The results of state of the environment monitoring also indicate where current policy and planning provisions are not maintaining or enhancing the state of the Marlborough environment, allowing adjustments in management to be made through review processes. This monitoring also identifies new and emerging issues to be addressed.
People	Engaged and participative	-	The current review of the operative resource management framework, and the collaborative approach of involving the community in the process, will ensure that the planning policy and provisions remain current and reflect the aspirations of the Marlborough community.
Economy	Innovation Entrepreneurship Productivity	By strategically guiding appropriate use, development and protection of Marlborough's natural and physical resources, including land, water, air, indigenous ecosystems and the built environment, the resource management framework enables environmentally sustainable economic development.	-
Mobility	Local accessibility Sustainable	The resource management framework protects	-

Outcome	Sub-outcome	Major linkages	Secondary linkages
	Safe	transportation infrastructure from the adverse effects of other activities and enables the efficient and effective operation of the infrastructure.	
Living	Access to quality housing	The resource management framework makes provision for housing, employment and recreation in the district.	The provision of recreational space and guidelines for the form of residential development encourages social cohesion.
	Access to quality employment		
	Cultural facilities and events		
	Sports and recreation		
	Social cohesion		

What is this Activity About?

This Activity involves the development and review of environmental policy and planning provisions under the Resource Management Act (RMA) in response to resource management issues for Marlborough. These provisions are aimed at the sustainable use, development and protection of Marlborough's natural and physical resources, including land, water, air, indigenous ecosystems and the built environment. Many of the provisions are mandatory. The Council is required to prepare a Regional Policy Statement, a Regional Coastal Plan and a District Plan under the RMA. It may also develop other regional plans, as necessary.

The Council has an existing resource management policy framework, which is described below. Significant effort has gone into getting this framework to an operative status in the past to provide greater certainty to resource users and the wider community.

The Marlborough Regional Policy Statement (RPS)

This is an operative document that provides a community-based vision and direction for managing the natural and physical resources of Marlborough. It identifies regionally significant issues for Marlborough and how they are to be addressed.

The Marlborough Sounds Resource Management Plan (MSRMP)

This is an operative combined Regional Plan, Regional Coastal Plan and District Plan that provides the framework by which the natural and physical resources of the Marlborough Sounds area are to be managed.

The Wairau/Awatere Resource Management Plan (WARMP)

This is an operative combined Regional Plan, Regional Coastal Plan and District Plan that provides the framework by which the natural and physical resources of the Wairau and Awatere areas of Marlborough are to be managed.

The RPS and the RMP identify resource management issues, establish objectives for addressing these issues, provide policies for achieving the objectives and identify regulatory and non-regulatory methods for implementing the policies. The provisions collectively seek to enable resource use, but in a manner that ensures any adverse effects arising from that use are avoided, remedied or sufficiently mitigated.

Marlborough's social and economic wellbeing relies on the use, development and protection of natural and physical resource. The framework described above plays an important role in strategically guiding this use, development and protection. In particular, provisions in this document enable appropriate resource use through the use of permitted activity rules and through the allocation of public resources (such as water and coastal space).

Asset Description

Although not an asset in the conventional sense, the RPS, MSRMP and WARMP are assets in that Council and the community rely upon these planning documents. The planning documents guide development within Marlborough as they determine the status of resource use activities occurring within the environment (ie; whether an activity requires a resource consent), allocate public resources (such as water and coastal space) and contain policies to guide the determination of resource consent applications.

Given the above, it is important that the currency and accuracy of the RPS, MSRMP and WARMP are maintained at all times. The Environmental Policy Team has a Quality Management System to ensure that the correct version of the plans are being used internally and are available externally.

Major Budgeted Capital Projects

The table outlines the major budgeted projects and areas of expenditure proposed for this Activity over the next 10 years. Although these items are budgeted, in some cases further public consultation will be required with the relevant community before the project is implemented. These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of this Activity section.

Asset	Major Capital Projects	Inflated value (Millions)
Development of E-Planning capabilities for water management.	2015-16 The costs represent 50% of the total project cost, with the remainder being funded by Central Government via the Community Environment Fund.	$0.2

Emerging Issues and Expected Changes

The Council has committed to a rebuild of its resource management framework. This has been a significant undertaking for Council and the Marlborough community. As part of this review process, the Council has decided to take the opportunity provided by Section 80 of the RMA to combine the objectives, policies and methods of the two operative resource management plans with the RPS to provide a single strategic direction for the integrated management of Marlborough's natural and physical resources.

The rules contained in the two existing resource management plans will be recast into one integrated plan for the District. This combined plan will provide the regulatory framework to be applied to the subdivision, use and development of land, air, coastal resources and water resources. This framework will utilise fewer rule categories than is currently the case and will provide clear triggers for the need for resource consent. This simplified and streamlined structure will be easier to use and will provide greater certainty to resource users and the wider community.

A draft combined RPS and RMP is to be completed in 2015. The planning documents will then be publicly notified for submissions and further submissions in accordance with the First Schedule of the RMA. The main task for the Environmental Policy team from that point will be processing submissions on the notified provisions and supporting the hearing of those submissions (through the provision of Section 42A reports and attendance at hearings amongst other things). Decisions on submissions will be made by an appointed hearings panel made up of accredited commissioners.

There are many variables that affect the nature, scope and timing of this environmental policy work programme. In the short term, this will depend on the timing of the notification of the RPS/RMP and the nature and number of submissions received on the proposed RPS/RMP. The greater the number and complexity of submissions, the more resource required to process the submissions. The content of submissions will also influence whether further external assistance is required.

Government initiatives (such as legislative change or the introduction of national policy statements or national environmental standards) can influence the nature, scope and timing of the environmental policy work programme. In particular, the Council is required to give effect to the provisions of national policy statements. There are currently four national policy statements and in most cases these will be given effect to through the current review of the resource management framework.

In the case of the National Policy Statement (NPS) Freshwater Management 2014, the Council has adopted a staged implementation programme to establish freshwater quality limits through to 2024. This programme sets out the various actions that will be taken by the Council to establish those limits, including technical investigations, community consultation and planning. The budget implications of this work will be highlighted through future annual planning processes. Note that there are ongoing changes to the NPS proposed by Central Government and these changes could have additional implications for the staged implementation programme.

Leading up to and following notification of the reviewed RPS/RMP, the operative resource management framework still has legal status and therefore requires maintenance. Two plan changes and one plan change request were being processed at the time of preparing this Long Term Plan.

Plan change requests by members of the public, which cannot be anticipated, have a similar effect on the environmental policy work programme as central government initiatives. Any new plan change request has to be processed in accordance with statutory processes and timeframes. The costs of plan change requests are borne by the person who has made the request (unless the Council adopts the plan change as its own).

The additional workload generated by plan changes are managed through the use of external planning assistance. This minimises the disruption to the review of the resource management framework.

Activity Group: Environmental Management

Levels of Service 2015-25: Environmental Policy

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
A second generation resource management framework for Marlborough.	A combined Regional Policy Statement and Resource Management Plan is publicly notified.	July 2015	July 2015	N/A	N/A	N/A
	Decisions on submissions publicly notified.	October 2016	N/A	October 2016	N/A	N/A
Implementation of the direction of the new resource management framework.	% of plans for implementing non-regulatory methods from the Regional Policy Statement completed.	0%	N/A	N/A	50%	50% - 100%
Review of the second generation resource management framework.	Efficiency and effectiveness report completed.	October 2021	N/A	N/A	N/A	October 2021
Freshwater quality limits are set for all water management units.	% of water management units that have freshwater quality limits established.	New measure	N/A	N/A	N/A	100%

Activity Group: Environmental Management

Funding Impact Statement for 2015-25 Environmental Policy	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	1,220	1,282	1,291	1,326	1,358	1,383	1,418	1,457	1,444	1,492	1,539
Other receipts	130	202	121	120	117	115	114	114	109	107	106
Total operating funding	1,350	1,484	1,412	1,446	1,475	1,498	1,532	1,571	1,553	1,599	1,645
Applications of operating funding											
Payments to staff and suppliers	1,133	1,036	1,055	1,077	1,098	1,122	1,148	1,176	1,207	1,239	1,272
Internal charges and overheads applied	202	283	297	309	317	316	324	335	346	360	373
Other operating funding applications	15	15	-	-	-	-	-	-	-	-	-
Total applications of operating funding	1,350	1,334	1,352	1,386	1,415	1,438	1,472	1,511	1,553	1,599	1,645
Surplus (deficit) of operating funding	-	150	60	60	60	60	60	60	-	-	-
Sources of capital funding											
Increase (decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	-	-	-	-	-	-	-	-	-	-	-
Applications of capital funding											
Capital expenditure to improve the level of service	-	150	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	-	-	60	60	60	60	60	60	-	-	-
Total applications of capital funding	189	150	60	60	60	60	60	60	-	-	-
Surplus (deficit) of capital funding	(571)	(150)	(60)	(60)	(60)	(60)	(60)	(60)	-	-	-
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Reconciliation											
Total applications of operating funding	1,350	1,334	1,352	1,386	1,415	1,438	1,472	1,511	1,553	1,599	1,645
plus - Depreciation and amortisation		-	60	60	60	60	60	60	-	-	-
Expenditure as per Income Statement	1,350	1,334	1,412	1,446	1,475	1,498	1,532	1,571	1,553	1,599	1,645

Activity: Environmental Science and Monitoring

Activity: Environmental Science and Monitoring

Operating costs of this Activity represents approximately 3.1% of total Activity expenditure.

How this Activity Contributes to Related Community Outcomes

This Activity contributes primarily to the Community Outcomes of Governance, Environment, Economy, People and Living by:

Outcome	Sub-outcome	Major linkages	Secondary linkages
Environment	Attractive Control over pollution levels, forms and effects Systems for protection and care Sustainable resource management	The services are a statutory function that provide for monitoring of the state and condition of our natural resources, investigation of environmental issues, help to create solutions and implementation of programmes to protect our resources (fresh water, land, coastal and air).	
Economy	Productivity	The services provide for monitoring and research of natural resources to help with the allocation and informed use of resources to enable productivity within set environmental bottom lines.	
People	Education Engaged and participative	The services help the community and resource users better understand our natural resources through participative processes, and the provision of environmental information.	
Living	Health		The community require assurance that our natural resources and special places are protected and in a condition suitable to maintain our lifestyle and general wellbeing eg; recreating and gathering food from our rivers and coastal waters.
Governance	Transparent Enabling Participate Strategic		Understanding environmental issues and the condition of our natural resources to enable strategic and transparent decision making.

What is this Activity About?

The Activity involves establishing and maintaining an efficient environmental resource information base to allow Council to properly discharge its resource management functions and to provide advice to the community on environmental resources and on issues affecting the resources of the District. The Activity includes the investigation, monitoring and analysis of the District's natural and physical resources (e.g. land, air, water and coastal).

The monitoring of natural and physical resources is effectively carried out to:

- Obtain information about the condition of the environment and raise awareness of environment issues.
- Assist in identifying areas where there is a need to improve the quality of the environment and enable Council to support a range of methods that can be applied to address specific issues.
- Allow Council to assess the effectiveness of its policies and methods contained in the RMA policy and planning documents.

- To support the sustainable use and allocation of our natural resources.

This Activity is also responsible for implementing a range of non-regulatory resource management methods to effectively promote the sustainable management of our natural and physical resources. This also includes education and advocacy of resource users and the wider community and provides support for flood and other environmental emergency responses.

Emphasis has been placed on the monitoring and development of sustainable programmes associated with fresh water resources and this is expected to continue into the future. This reflects the value of water to the community and its overall vulnerability to over use and contamination. There are other important programmes associated with measuring the health and integrity of our marine ecosystems, air quality, land resources and the protection of biodiversity.

Asset Description

Council operates 89 automated real time monitoring stations that measure a number of environmental parameters to support a range of resource management programmes and emergency response (e.g. flooding).

Environmental parameters (automated)	Number of parameters monitored
Rainfall	27
Surface Water level	31
River Flow	24
Groundwater Level	33
Groundwater Temperature	11
Groundwater Conductivity	7
Air Quality (PM10)	2
River Water Quality	3
Total	**138**

Major Budgeted Capital Projects

The table outlines the major budgeted projects and areas of expenditure proposed for this Activity over the next 10 years. Although these items are budgeted, in some cases further public consultation will be required with the relevant community before the project is implemented. These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of this Activity section.

Asset	Major Capital Projects	Inflated value (Millions)
Field equipment	2015-25 Telemetry field equipment.	$1.7

Emerging Issues and Expected Changes

The second generation Resource Management Plan for Marlborough is expected to be notified and become operative during the period of this Long Term Plan (LTP). This LTP will be instrumental in setting the future direction and resourcing of State of Environment (SoE) monitoring and investigation programmes.

Diffuse pollution and sediment runoff as a consequence of intensive urban and rural land use, will remain as the main human induced threat to water quality in the District. The extraction of fresh water for irrigation and consumptive use requires careful management to balance community aspirations of economic growth while ensuring environmental sustainability is not compromised. Other integrated monitoring programmes associated with our marine environment and biodiversity will continue to evolve to meet the changing environment and community expectations.

The government is increasingly directing Council services through legislative change. The National Policy Statement for freshwater is expected to impact on the levels of service for setting of catchment based limits, monitoring and contaminate accounting systems.

There is also an increasing expectation from government and the regional sector for resource information to be readily available for national environmental reporting and the community in an open digital format. Management of resource information and ensuring data is of a high quality standard will continue to impact on resourcing.

Activity Group: Environmental Management

Levels of Service 2015-25: Environmental Science and Monitoring

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
Monitor, investigate, gather and analyse information, and report on the state of Marlborough's natural resources including: Fresh Water, Land, Air and Coastal.	Timeliness of completion data integrity audits and quality coding (in accordance with National Environmental Monitoring Standards).	30 June	30 June	30 June	30 June	30 June
	Number of technical SoE monitoring report cards completed.	5	5	5	5	5
	Timeliness completion of resource investigations and reporting to Council.	30 June	30 June	30 June	30 June	30 June
Effective real time environmental monitoring network is operated.	Percentage availability of the environmental monitoring network.	99%	99%	99%	99%	99%
Promotion of resource management programmes to help maintain or improve the condition of the environment.	Increase in the number of protected (either Council agreements and/or legal covenants) terrestrial or wetland indigenous biodiversity sites on private land.	80	84	88	92	>96
Encourage the community and industry to look after and restore the environment through communication, education and advocacy.	Marlborough Environment Awards are held biennially.	Awards held 2014-15	N/A	Awards held	N/A	2018-19 and biennially thereafter
	Percentage of planned educational or communication programmes are completed annually.	100%	100%	100%	100%	100%

Activity Group: Environmental Management

Funding Impact Statement for 2015-25 Environmental Science and Monitoring	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	2,742	2,732	2,875	2,957	3,033	3,109	3,192	3,280	3,379	3,492	3,596
Subsidies and grants for operating purposes	73	-	-	-	-	-	-	-	-	-	-
Fees and charges	78	5	5	5	5	6	6	6	6	6	7
Internal charges and overheads recovered	65	65	65	65	65	65	65	65	65	65	65
Other receipts	293	270	269	267	261	259	257	256	254	251	248
Total operating funding	3,251	3,072	3,214	3,294	3,364	3,439	3,520	3,607	3,704	3,814	3,916
Applications of operating funding											
Payments to staff and suppliers	2,655	2,262	2,376	2,427	2,481	2,538	2,600	2,667	2,739	2,816	2,897
Finance Costs	-	10	15	20	25	30	29	28	30	32	30
Internal charges and overheads applied	606	767	782	796	806	809	820	833	848	865	882
Total applications of operating funding	3,261	3,039	3,173	3,243	3,312	3,377	3,449	3,528	3,617	3,713	3,809
Surplus (deficit) of operating funding	(10)	33	41	51	52	62	71	79	87	101	107
Sources of capital funding											
Increase (decrease) in debt	-	-	154	-	162	-	-	-	83	-	-
Total sources of capital funding	-	-	154	-	162	-	-	-	83	-	-
Applications of capital funding											
Capital expenditure to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure to improve the level of service	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure to replace existing assets	150	150	154	158	162	167	172	177	183	189	196
Increase (decrease) in reserves	(160)	(117)	41	(107)	52	(105)	(101)	(98)	(13)	(88)	(89)
Total applications of capital funding	(10)	33	195	51	214	62	71	79	170	101	107
Surplus (deficit) of capital funding	10	(33)	(41)	(51)	(52)	(62)	(71)	(79)	(87)	(101)	(107)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Reconciliation											
Total applications of operating funding	3,261	3,039	3,173	3,243	3,312	3,377	3,449	3,528	3,617	3,713	3,809
plus - Depreciation and amortisation	90	99	107	117	115	123	134	142	151	165	170
less - Internal charges and overheads recovered	65	65	65	65	65	65	65	65	65	65	65
Expenditure as per Income Statement	3,286	3,073	3,215	3,295	3,362	3,435	3,518	3,605	3,703	3,813	3,914

Activity: Resource Consents

Activity: Resource Consents

Operating costs of this Activity represents approximately 2.4% of total Activity expenditure.

How this Activity Contributes to Related Community Outcomes

This Activity primarily contributes to the Community Outcomes of Governance, Environment, Economy, Living.

Outcome	Sub-outcome	Major linkages	Secondary linkages
Governance	Enabling Transparent	To ensure that Council meets its statutory obligations under the Resource Management Act 1991 (RMA).	Understanding of the requirements and process of the RMA to assist development.
Environment	Sustainable resource management	Promoting the sustainable management of natural and physical resources in Marlborough through an effective resource consenting regime.	-
Economy	Education	To educate applicants, submitters and other interested parties on the Resource Management Act and the resource consent and approval process to assist development	Understanding of the requirements and process of the Resource Management Act to assist development. Providing information to potential applicants, interest groups and the general public on all resource management matters.
Living	Access to quality housing Access to quality employment	To manage the physical and built environment through the administration of the resource consenting process in a manner that	Processing and determining applications for resource consent in a manner that ensures the promotion of
	Social cohesion	contributes towards the community outcomes of environmental sustainability and prosperity.	sustainable management of natural and physical resources.
	Health Opportunities for participation		
	Sports and recreation		
	Cultural facilities and events		

What is this Activity About?

This Activity involves discharging Council's statutory obligations under the Resource Management Act 1991 (RMA). The RMA 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 RMA'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:

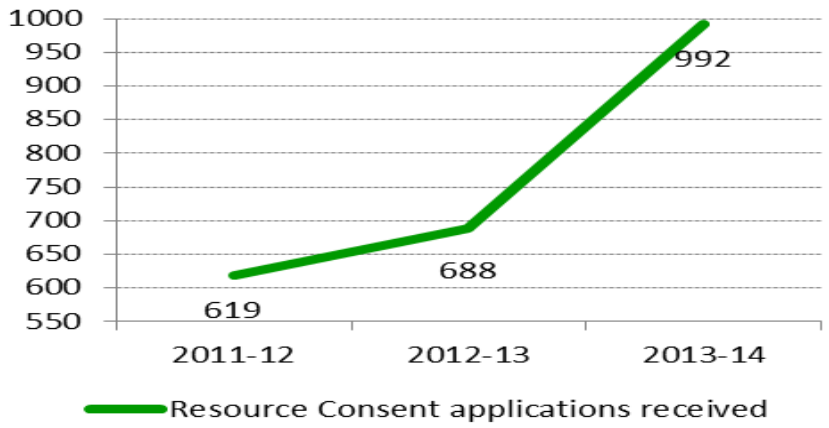
- Land Use Consents.
- Water Permits.
- Discharge Permits.
- Subdivision Consents.
- Coastal Permits.

The Resource Consent Activity provides information to potential applicants, interest groups and the general public on all resource management matters. The Activity maintains and manages a consents data base 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. The graph below shows there

has been an increase in numbers since last year. Within each year there are also daily, weekly and monthly fluctuations in the number and types of application.



Emerging Issues and Expected Changes

The challenges for this Activity are centred on the need to adequately respond to legislative and other changes whilst meeting statutory timeframes for the processing of consents and providing a fair, cost effective and consistent service to the community. Council as a large unitary is faced with processing a constantly fluctuating work flow including a number of applications of a complicated nature, particularly those involving the allocation of water and coastal space. Council constantly reviews its processes and procedures to ensure adherence to current best practices.

The Resource Management Amendment Act 2013 introduced new provisions in March 2015. The new provisions relate to the required content of resource consent applications under section 88 and Schedule 4. The new provisions require significantly more information at lodgment stage for applications to be accepted under section 88 and if the application does not provide this information it "must" be rejected. The current provisions provide the Council discretion over the rejection of applications under section 88. After 3 March 2015 this discretion was removed and consequently it is expected that this will lead to an increase in the number of incomplete applications that will be rejected in future years.

Levels of Service 2015-25: Resource Consents

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
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".	6.0	6.0	6.0	6.0	6.0
Provide a consent service that is fair, consistent, cost effective, timely and responsive to customers' needs.	% of resource consent applications processed within statutory timeframes.	99.7%	99%	99%	99%	99%
	% of objections under section 357(b) compared to total number of applications processed.[12]	<0.2	<0.5%	<0.5%	<0.5%	<0.5%
Provide consistent, appropriate and timely information to applicants and the public on the RMA, resource consent and approval process.	% of incomplete applications rejected under the requirements of RMA - section 88.	<1.7%	<15%	<15%	<15%	<15%

[12] RMA, Section 357(b) – Right of objection in relation to imposition of additional charges and recovery costs.

Activity Group: Environmental Management

Funding Impact Statement for 2015-25 Resource Consents	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	999	884	917	946	967	964	983	1,007	1,032	1,065	1,091
Fees and charges	1,288	1,455	1,491	1,529	1,571	1,616	1,664	1,717	1,773	1,835	1,901
Internal charges and overheads recovered	22	23	23	23	23	23	23	23	23	23	23
Other receipts	107	87	86	85	83	80	79	79	78	77	75
Total operating funding	2,416	2,449	2,517	2,583	2,644	2,683	2,749	2,826	2,906	3,000	3,090
Applications of operating funding											
Payments to staff and suppliers	1,661	1,685	1,719	1,756	1,795	1,836	1,880	1,929	1,981	2,037	2,095
Internal charges and overheads applied	759	762	797	828	849	847	868	895	924	961	993
Total applications of operating funding	2,420	2,447	2,516	2,584	2,644	2,683	2,748	2,824	2,905	2,998	3,088
Surplus (deficit) of operating funding	(4)	2	1	(1)	-	-	1	2	1	2	2
Sources of capital funding											
Total sources of capital funding	-	-	-	-	-	-	-	-	-	-	-
Applications of capital funding											
Capital expenditure to improve the level of service	3	3	3	3	3	3	3	4	4	-	-
Capital expenditure to replace existing assets		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	(7)	(1)	(2)	(4)	(3)	(3)	(2)	(2)	(3)	2	2
Total applications of capital funding	(4)	2	1	(1)	-	-	1	2	1	2	2
Surplus (deficit) of capital funding	4	(2)	(1)	1	-	-	(1)	(2)	(1)	(2)	(2)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Reconciliation											
Total applications of operating funding	2,420	2,447	2,516	2,584	2,644	2,683	2,748	2,824	2,905	2,998	3,088
plus - Depreciation and amortisation	-	1	1	1	1	1	1	1	1	1	1
less - Internal charges and overheads recovered	22	23	23	23	23	23	23	23	23	23	23
Expenditure as per Income Statement	2,398	2,425	2,494	2,562	2,622	2,661	2,726	2,802	2,883	2,976	3,066

Activity: Environmental Protection

Activity: Environmental Protection

Operating costs of this Activity represent approximately 1.3% of total Activity expenditure.

How this Activity Contributes to Related Community Outcomes

This Activity primarily contributes to the Community Outcomes of Governance, Environment, People and Economy by:

Outcome	Sub-outcome	Major linkages	Secondary linkages
Governance	Enabling	Internal user groups. Industry groups. External special interest groups.	Understanding of the requirements processes of the Resource Management Act (RMA) and Council's District Plans.
Environment	Control over pollution levels, forms and effects Systems for protection and care	Consent holders and the public.	Council has responsibility pursuant to s35 of the Resource Management Act to provide an active compliance monitoring and enforcement regime to sustainably manage Marlborough's natural physical resources and to provide feedback to the policy, Resource Consents and Science and Monitoring groups.
People	Education	Holders of consents and people undertaking permitted activities. Public.	-
Economy	Sustainability	Providing an active compliance monitoring and enforcement regime to sustainably manage Marlborough's natural and physical resources.	

What is this Activity About?

Council monitors the effect of implementing its Resource Management Plans (RMP) by monitoring compliance with the conditions of resource consent conditions and permitted activity standards.

The main activities of the Environmental Protection section are:

Monitoring – Proactively monitor activities that have either a greater environmental impact warranting special consideration, generate community concern or are related to trends highlighted through the State of the Environment Report.

Policy – Provide feedback to the policy, resource consents and science and monitoring groups to measure the effectiveness and efficiency of the district resource management plan.

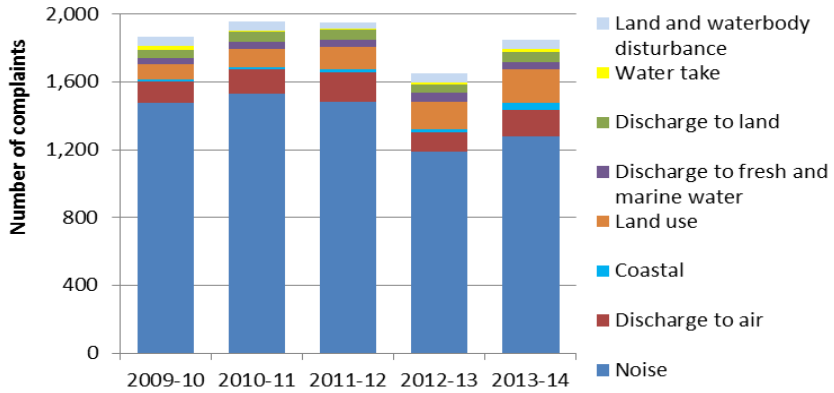
Complaint Response - Investigate alleged breaches of the RMA, RMP and consents. Council receives over 1,500 complaints on an annual basis in regard to alleged breaches of the RMA or resource consent conditions, all of which require investigation. The follow up involved in resolving a complaint can vary from a relatively simplistic desk top exercise to a complex investigation and Court action. As any complaint could escalate, a high level of data recording is essential.

Emergency Response – Respond to emergencies that have the potential to affect the environment (eg; spillages, discharges).

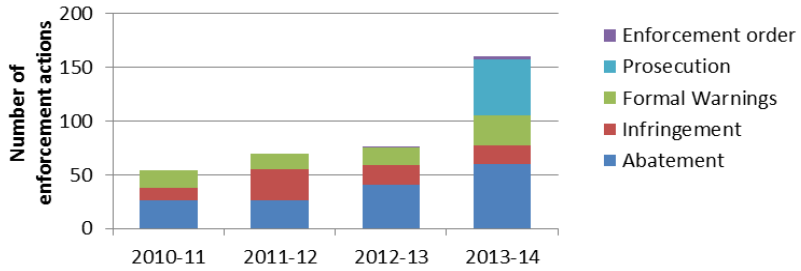
Education - Good education leads to the community understanding and taking ownership of an issue and its resolution. It is an effective way of bringing about a long-term change in environmental behaviour and also allows Council and the community to foster good relationships and deal with issues in a proactive as opposed to a regulatory manner.

Activity Levels

During 2013-14, Council received 1,848 complaints (2012-13: 1,650). Noise complaints are the most common complaints received. The types of complaints that have increased are, noise, land use, discharges to air and coastal:



There were 160 enforcement actions for the 2013-14 year. This included a number of prosecutions, three enforcement order applications and 60 abatement notices. Enforcement actions during 2013-14 increased significantly causing pressure on staff resources. The graph below shows the trends in different types of enforcement actions for the last four years.



Formal warnings were introduced during 2010-11 to assist in building a record of non-compliance which strengthens any case for future enforcement action through the Environment Court.

Emerging Issues and Expected Changes

The following are the emerging issues and expected changes within this Activity:

- Resourcing with increasing numbers of active consents and complaints.
- Monitoring of strategic consents.
- Increased formal enforcement action.

Activity Group: Environmental Management

Levels of Service 2015-25: Environmental Protection

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
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".	6.5	6.5	6.5	6.5	6.5
Monitor activities that have either a greater environmental impact warranting special consideration, or are activities that generate community concern or are related to trends highlighted through the State of the Environment Report.	Report on dairy farm effluent systems and stream crossings for compliance with permitted activity standards or RMP and consents.	N/A	31 August	31 August	31 August	31 August
		New Measure	Improved or unchanged compliance level	Improved or unchanged compliance level	Improved or unchanged compliance level	Improved or unchanged compliance level
	Report on waste from wineries for compliance with resource consent conditions (waste water and grape marc).	N/A	30 November	30 November	30 November	30 November
		New Measure	Improved or unchanged compliance level	Improved or unchanged compliance level	Improved or unchanged compliance level	Improved or unchanged compliance level
	Report on resource consents for the discharge of sewage from commercial operators to Marlborough Sounds' land or coastal waters.	N/A	31 July	31 July	31 July	31 July
		New Measure	Improved or unchanged compliance level	Improved or unchanged compliance level	Improved or unchanged compliance level	Improved or unchanged compliance level
Monitor and investigate alleged breaches of the RMA, RMP and Consents.	% of complaints assessed within one working day.	80%	80%	80%	80%	80%
	% of complaints, either resolved or had a resolution strategy, developed within 90 days of receipt.	99%	99%	99%	99%	99%

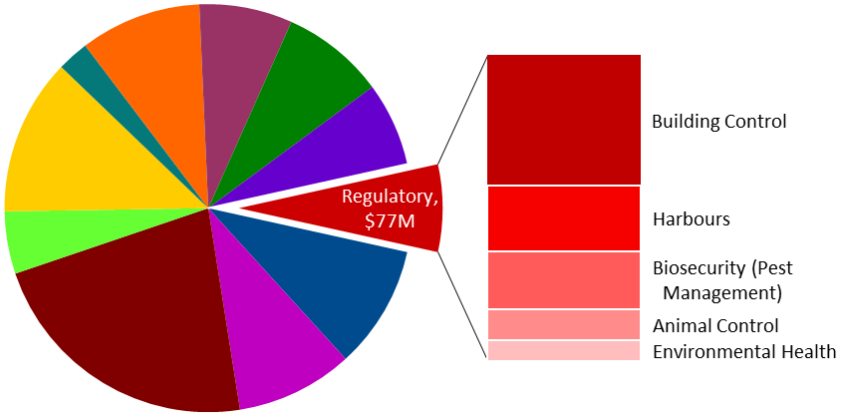
Activity Group: Environmental Management

Funding Impact Statement for 2015-25 Environmental Protection	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	1,007	1,105	1,136	1,171	1,202	1,217	1,249	1,280	1,319	1,377	1,421
Fees and charges	35	35	41	42	43	50	51	59	61	69	72
Other receipts including fines	112	111	109	108	107	105	105	105	105	105	105
Total operating funding	1,154	1,251	1,286	1,321	1,352	1,372	1,405	1,444	1,485	1,551	1,598
Applications of operating funding											
Payments to staff and suppliers	758	857	873	892	912	932	955	979	1,005	1,051	1,081
Internal charges and overheads applied	395	394	413	429	440	440	450	465	480	500	517
Total applications of operating funding	1,153	1,251	1,286	1,321	1,352	1,372	1,405	1,444	1,485	1,551	1,598
Surplus (deficit) of operating funding	1	-	-	-	-	-	-	-	-	-	-
Sources of capital funding											
Total sources of capital funding	-	-	-	-	-	-	-	-	-	-	-
Applications of capital funding											
Increase (decrease) in reserves	1	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	1	-	-	-	-	-	-	-	-	-	-
Surplus (deficit) of capital funding	(1)	-	-	-	-	-	-	-	-	-	-
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Reconciliation											
Total applications of operating funding	1,153	1,251	1,286	1,321	1,352	1,372	1,405	1,444	1,485	1,551	1,598
plus - Depreciation and amortisation	1	-	-	-	-	-	-	-	-	-	-
Expenditure as per Income Statement	1,154	1,251	1,286	1,321	1,352	1,372	1,405	1,444	1,485	1,551	1,598

Regulatory

Operating Costs

The operating costs for the Regulatory Group of Activities represents $77 million of total Council expenditure.



Major Budgeted Capital Projects

The major capital projects for the Regulatory Group of Activities are:

Activity	Major Capital Projects	Inflated value (Millions)
Harbour	2015-25 Instrumentation.	$0.7
	2015-16 Replacement of aging vessel.	$0.3

These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of each Activity section.

Activity Group: Regulatory

Rationale for Activities in this Group

Council is charged with carrying out a number of statutory functions, on behalf of Central Government. These responsibilities are denoted down to Local Government by statute. This grouping contains activities driven by various statutes which have nothing in common and no real interrelationships.

The responsibility for managing this Group of Activities has been given to the Regulatory Group to manage.

Changes to Regulatory Activity Group from the 2014-15 Annual Plan

There are no changes to this Activity Group.

Intended Changes to Levels of Service from the 2014-15 Annual Plan

The table describes any intended changes to the levels of service within the group from the levels of service displayed in the 2014-15 Annual Plan. The reasons for the intended changes are also described.

2014-15 Annual Plan	2015-25 LTP	Reason for changes
Activity: Environmental Health		
None.	Administer Food Control Plans under the Food Act 2014.	New level of service due to requirements of Food Act 2014.

Significant Negative Effects Associated with this Group of Activities

No negative effects are considered to be associated with this Group of Activities.

Activity Group Funding Impact Statement

The following Funding Impact Statement (FIS) is for the Activity Group, throughout this section a separate FIS is included for each Activity and these should be referred to for more detailed information.

Activity Group: Regulatory

Funding Impact Statement for 2015-25 REGULATORY	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
General rates, uniform annual general charges, rates penalties	2,485	2,800	2,930	2,850	3,050	3,084	3,155	3,214	3,294	3,390	3,499
Fees and charges	3,059	3,367	3,449	3,724	3,628	3,726	3,831	3,947	4,072	4,201	4,336
Other receipts	981	766	784	780	800	810	823	838	854	871	891
Total operating funding	6,525	6,933	7,163	7,354	7,478	7,620	7,809	7,999	8,220	8,462	8,726
Applications of operating funding											
Payments to staff and suppliers	4,764	4,999	5,119	5,244	5,319	5,474	5,603	5,711	5,864	6,027	6,198
Finance Costs	-	34	42	41	40	38	37	35	34	32	30
Internal charges and overheads applied	1,542	1,659	1,729	1,788	1,831	1,829	1,870	1,925	1,982	2,057	2,121
Other operating funding applications	38	30	31	31	32	33	34	35	35	37	38
Total applications of operating funding	6,344	6,722	6,921	7,104	7,222	7,374	7,544	7,706	7,915	8,153	8,387
Surplus (deficit) of operating funding	181	211	242	250	256	246	265	293	305	309	339
Sources of capital funding											
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	-	247	-	-	-	-	-	-	-	-	-
Total sources of capital funding	-	247	-	-	-	-	-	-	-	-	-
Applications of capital funding											
Capital expenditure to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure to improve the level of service	102	320	43	179	121	-	208	-	136	-	-
Capital expenditure to replace existing assets	32	74	67	35	123	73	204	40	41	42	412
Increase (decrease) in reserves	47	64	132	37	12	173	(147)	253	128	267	(73)
Total applications of capital funding	181	458	242	251	256	246	265	293	305	309	339
Surplus (deficit) of capital funding	(181)	(211)	(242)	(251)	(256)	(246)	(265)	(293)	(305)	(309)	(339)
Funding balance	-	-	-	(1)	-	-	-	-	-	-	-
Reconciliation											
Total applications of operating funding	6,344	6,722	6,921	7,104	7,222	7,374	7,544	7,706	7,915	8,153	8,387
plus - Depreciation and amortisation	145	161	184	188	192	179	189	209	213	217	232
Expenditure as per Note 1	6,489	6,883	7,105	7,292	7,414	7,553	7,733	7,915	8,128	8,370	8,619

Activity Group: Regulatory

Activity: Biosecurity (Pest Management)

Activity: Biosecurity (Pest Management)

Operating costs of this activity represent approximately 1.3% of total activity expenditure.

How this Activity Contributes to Related Community Outcomes

This activity contributes to Community Outcomes of Environment, Economy, People and Living by:

Outcome	Sub-outcome	Major linkages	Secondary linkages
Environment	Attractive Systems for protection and care Sustainable resource management	The services provide for monitoring and management of pest organisms that pose a threat to our indigenous ecosystems.	-
Economy	Productivity Innovation	The services provide for monitoring and management of pest organisms that pose a threat to primary industry production and economic wellbeing. Services promote innovation for improved pest management systems.	
People	Education Engaged and participative	The services help to create solutions with the community through information participative dissemination processes and research.	-
Living	Health	-	Particular biosecurity programmes help to protect our lifestyle and general wellbeing from the threat of harmful pest organisms eg; ants and biting insects.

What is this Activity About?

The Biosecurity Act 1993 provides the Marlborough District Council leadership responsibilities that prevent, reduce, or eliminate adverse effects from harmful organisms (pest management) that are present in the region. In Marlborough there is a long history of pests which impact on our economy and the environment and specify impact on our terrestrial, freshwater and marine environments. Furthermore the potential of new pest threats are continuous and require an active regime in order to understand and manage any impacts.

The ways in which Council undertakes its activities include:

- Promoting the alignment of pest management in the region.
- Facilitating the development and alignment of regional pest management plans and regional pathway management plans in the region.
- Promoting public support for pest management and facilitating communication and co-operation among those involved in pest management to enhance effectiveness, efficiency, and equity of programmes.
- Monitoring to determine whether or not pests are present and undertaking surveillance of pests, and unwanted organisms.
- Provide in accordance with relevant pest management plans, for the investigation and eradication or management of pests.

The main regulatory framework for managing pests is through the implementation of a Regional Pest Management Plan (RPMP) or a small scale management programme.

Council's current RPMP includes pests that have a regional focus, rather than being of national significance. The RPMP defines and declares 37 plant and animal pests and contains a variety of methods, on how the pests are to be managed. Broadly the listed pests are classified into three main groups:

Activity Group: Regulatory

Total Control Pests – pests of limited distribution which potentially would have a high impact if left unmanaged. The objective is to eradicate these species throughout the region. The onus for pest control is shared between the land occupiers, Council and in particular circumstances, the Department of Conservation.

Containment Pests - pests that are more widespread in nature which have a high impact on the environment and require control to prevent spread and to reduce overall pest density levels over time. The control of these pests is primarily the responsibility of the land occupier.

Surveillance Pests - pests which have significance and require further information gathering. The only management intervention is the banning of sale, propagation and distribution.

The Council also provides a range of non-regulatory pest management services through the provision of community partnerships and funding to the Tb Free programme controlling wildlife vectors, pursuant to the National Pest Management Strategy for Bovine Tb.

Emerging Issues and Expected Changes

Over the next few years our focus is centred on the need to adequately respond to:

The statutory review of the RPMP is required to be completed by 2017. The process is expected to review the existing pest programmes and provide for new approaches to pest management, while ensuring alignment of the Plan to the requirements of the National policy direction.

Incorporated with this review is the potential to prepare a non-regulatory Biosecurity Strategy incorporating a framework for all Council based approaches to pest management.

The spread of Chilean needle grass and Wilding conifers continues to be a threat to the community. A joint agency and community partnership and the development of a non-regulatory approach to the management of these pests, coupled with other regulatory tools are expected to be developed.

The National Bovine Tb Strategy and funding implications are likely to be reviewed during the term of this Plan.

Levels of Service 2015-25: Biosecurity (Pest Management)

Performance Targets (for the financial year)						
Level of Service	**Indicator**	**Baseline**	**2015-16**	**2016-17**	**2017-18**	**2018-25**
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".	6.3	6.3	6.3	6.3	6.4
Monitoring and controlling the spread and impacts of animal and plant pests.	Percentage of 'high priority' sites (land occupier obligations) inspected or audited to confirm compliance.	95%	95%	95%	95%	95%
	Percentage of 'active' pest sites managed annually through a service delivery programme.	95%	95%	95%	95%	95%
	The number of hours spent searching (surveillance) for pests outside known areas.	500 hours	>500 hours	>500 hours	>500 hours	>500 hours
Prepare, publish, and implement the RPMS operational plan.	Timeliness completion of annual plan to the Environment Committee.	30 October	30 October	30 October	30 October	30 October

Activity Group: Regulatory

Funding Impact Statement for 2015-25 Biosecurity (Pest Management)	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	1,134	1,139	1,192	1,245	1,245	1,300	1,335	1,343	1,385	1,433	1,480
Fees and charges	-	20	21	21	22	22	23	24	24	25	26
Other receipts	156	124	124	125	120	122	121	119	119	118	118
Total operating funding	1,290	1,283	1,337	1,391	1,387	1,444	1,479	1,486	1,528	1,576	1,624
Applications of operating funding											
Payments to staff and suppliers	1,015	963	1,004	1,046	1,033	1,089	1,116	1,112	1,142	1,174	1,210
Internal charges and overheads applied	274	320	333	345	354	355	363	374	386	401	414
Total applications of operating funding	1,289	1,283	1,337	1,391	1,387	1,444	1,479	1,486	1,528	1,575	1,624
Surplus (deficit) of operating funding	1	-	-	-	-	-	-	-	-	1	-
Sources of capital funding											
Total sources of capital funding	-	-	-	-	-	-	-	-	-	-	-
Applications of capital funding											
Increase (decrease) in reserves	1	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	1	-	-	-	-	-	-	-	-	-	-
Surplus (deficit) of capital funding	(1)	-	-	-	-	-	-	-	-	-	-
Funding balance	-	-	-	-	-	-	-	-	-	1	-
Reconciliation											
Total applications of operating funding	1,289	1,283	1,337	1,391	1,387	1,444	1,479	1,486	1,528	1,575	1,624
plus - Depreciation and amortisation	1	-	-	-	-	-	-	-	-	-	-
Expenditure as per Income Statement	1,290	1,283	1,337	1,391	1,387	1,444	1,479	1,486	1,528	1,575	1,624

Activity: Building Control

Activity: Building Control

Operating costs of this Activity represents approximately 2.9% of total Activity expenditure.

How this Activity Contributes to Related Community and Council Outcomes

This activity contributes to the Community Outcomes of Environment, Economy and Living by:

Outcome	Sub-outcome	Major linkages	Secondary linkages
Environment	System for protection and care	The people of Marlborough want to be assured that the buildings they live and work in comply with the Building Code, are structurally sound, weather-tight and meet fire protection requirements.	-
Economy	Education	-	Understanding of the requirements and process of the Building Code to assist development.
Living	Access to quality housing	The people of Marlborough want to be assured that the buildings they live and work in comply with Building Code, are structurally sound, weather-tight and meet fire protection requirements.	Enabling events to take place with an effective inspection regime to ensure safety.

What is this Activity About?

This Activity is important for safety and health of the residents, workers and visitors to the Marlborough District because the main thrust of the Building Act and Regulations is the health and safety of building users. The efficient processing of Building Consents is a key focus of this Activity to ensure we are responsive to customer needs.

This Activity involves giving effect to the Building Act 2004. This Act charges Council with several responsibilities which are set out in two separate categories: Territorial Authority (TA) and Building Consent Authority (BCA). The Council's role is to ensure compliance and to meet the relevant Acts and Regulations. 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 it's compliance with the New Zealand Building Code.

This Activity also involves other functions under separate legislation including:

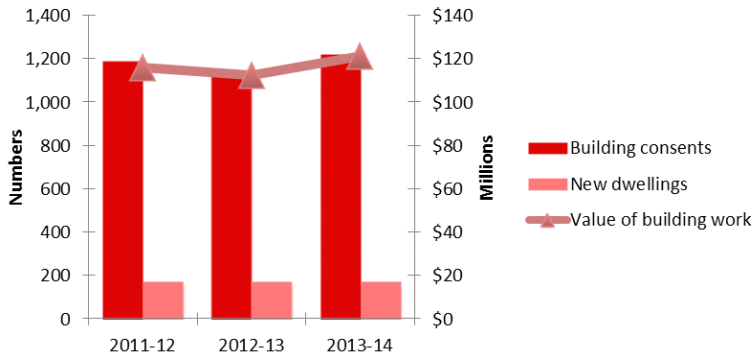
- Monitoring swimming pool fencing under the Fencing of Swimming Pools Act 1987.
- Investigating building related complaints under the Local Government Act and the Building Act 2002.
- The Council is required to have an accredited Building Consent Authority.

Land Information Memoranda

The issuing of a Land Information Memorandum (LIM) involves the timely, accurate and complete supply of information Council either holds, or has been statutorily advised of, by means of a memorandum to the applicant. Council is required to hold LIM pursuant to section 44A of the Local Government Information and Meetings Act 1987. Council is also required to process all LIM requests within statutory timeframes.

Activity Levels

The Activity level varies from year to year. The following table lists the numbers of Building Consents handled during the last three years:



Activity Group: Regulatory

Emerging Issues and Expected Changes

Earthquake Prone Buildings

Decisions by Government about the major changes to the Earthquake Prone Building policy were put on hold during the election run up. There have been many submissions to Government on the direction of the policy and because of this uncertainty no budget consideration has been made for the 2015-16 financial Year.

Dam Safety Assurance Programme

As per the Earthquake Prone Building policy decisions on the Dam Safety Assurance Program were put on hold. Regional and Unitary Councils have been working together to ensure all council policies align however work on this program has stalled and until some clear guidance on the direction of this program comes out of Central Government no budget consideration has been made.

Fencing of Swimming Pools Act Changes

These are yet to be announced therefore any effect on the group cannot be assessed. The Building Group intends to continue with its contractual agreement with Property Check to undertake swimming pool audits.

IANZ Accreditation

After its May 2014 assessment by IANZ, the Building Group retained its accreditation for another two years. The next assessment will be due May 2016.

Electronic and Digital Development

Building Control's digital inspection tool is successfully continuing. Continual upgrades ensure that the tool keeps pace with the groups requirements. Introduction of the inspection tool has seen a permanent reduction in inspection booking times.

Online consenting has been introduced to a small sector of the building industry. As experience is gained the system will be introduced to more and more applicants. Building Control will continue to offer the existing application system to those applicants who do not wish, or don't have the means to apply on line.

Levels of Service 2015-25: Building Control

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
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".	6.2	6.2	6.2	6.2	6.3
Provide a service that is responsive to customer needs and minimise risks to public safety.	% of Building Consents applications granted within 20 working days of receipt of the application.	96.5%	96%	96%	96%	97%
	% of Code Compliance Certificates issued within 20 working days of receipt of application.	86%	90%	90%	90%	95%
	% of swimming pools inspected annually.	15%	>15%	>15%	>15%	>15%
	% of Building Warrants of Fitness audited annually.	20%	20%	20%	20%	20%
Provision of Land Information Memoranda.	Number of liability claims made because of incomplete or inaccurate information supplied.	1	<3	<3	<3	<3

Activity Group: Regulatory

Funding Impact Statement for 2015-25 Building Control	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	403	464	483	326	504	480	479	482	486	495	494
Fees and charges	2,338	2,344	2,403	2,653	2,531	2,604	2,680	2,766	2,856	2,956	3,062
Other receipts	83	136	138	124	141	140	142	144	146	149	152
Total operating funding	2,824	2,944	3,024	3,103	3,176	3,224	3,301	3,392	3,488	3,600	3,708
Applications of operating funding											
Payments to staff and suppliers	1,839	1,975	2,011	2,052	2,096	2,142	2,191	2,245	2,303	2,365	2,429
Internal charges and overheads applied	931	936	980	1,018	1,045	1,043	1,068	1,103	1,139	1,186	1,227
Other operating funding applications	25	20	21	21	22	22	23	24	24	25	26
Total applications of operating funding	2,795	2,931	3,012	3,091	3,163	3,207	3,282	3,372	3,466	3,576	3,682
Surplus (deficit) of operating funding	29	13	12	12	13	17	19	20	22	24	26
Sources of capital funding											
Total sources of capital funding	-	-	-	-	-	-	-	-	-	-	-
Applications of capital funding											
Capital expenditure to replace existing assets	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	29	13	12	12	13	17	19	20	22	24	26
Total applications of capital funding	29	13	12	12	13	17	19	20	22	24	26
Surplus (deficit) of capital funding	(29)	(13)	(12)	(12)	(13)	(17)	(19)	(20)	(22)	(24)	(26)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Reconciliation											
Total applications of operating funding	2,795	2,931	3,012	3,091	3,163	3,207	3,282	3,372	3,466	3,576	3,682
plus - Depreciation and amortisation	-	-	-	-	-	-	-	-	-	-	-
Expenditure as per Income Statement	2,795	2,931	3,012	3,091	3,163	3,207	3,282	3,372	3,466	3,576	3,682
Operating expenditure											
Building Control	2,618	2,753	2,828	2,904	2,970	3,012	3,084	3,168	3,257	3,360	3,460
LIMs	178	177	183	188	192	194	199	204	209	216	222
Capital expenditure:											
Building Control	-	-	-	-	-	-	-	-	-	-	-

Activity: Environmental Health

Activity: Environmental Health

Operating costs of this Activity represent approximately 0.5% of total Activity expenditure.

How this Activity Contributes to Related Community Outcomes

This Activity primarily contributes to the Community Outcomes of People, Economy, and Living by:

Outcome	Sub-outcome	Major linkages	Secondary linkages
Governance	Inclusive Participative Enabling	Staff are encouraged to participate in both in-house and external user groups (alcohol, sub-standard housing) and in consultation with the community (Local Alcohol Policy).	Staff participate in a collective management group formed to design and implement a monitoring strategy.
Environment	Systems for protection and care	Council has responsibility to regularly inspect for nuisance conditions such as noise. This Activity manages the inspections of food premises to ensure safe delivery for public health.	-
People	Education	Individuals, community groups and industry.	Council works with individuals, community groups and industry to educate them on issues relating to food safety.
Economy	Productivity	Provide confidence to locals and visitors that environmental health is effective.	
Living	Health	Council has a responsibility to provide an effective registration, inspection and enforcement regime of food and alcohol premises to ensure public health is maintained.	
	Individual safety		

What is this Activity About?

This Activity provides services to protect the public health through registration and inspection of premises that prepare or sell food and the investigation of food complaints, as required by the Health Act 1956 and Food Act 2014. The Activity also promotes public health and food safety by undertaking education activities and providing written information material to the public.

Further, our Environmental Health Officers administer the Sale and Supply of Alcohol Act 2012, which requires the issuing of alcohol licences and monitoring compliance with licence conditions. Staff also investigate nuisance complaints such as noise, smoke, odours, pest control and hazardous substances. In summary the main focus of this Activity are:

- The licensing, inspection and enforcement of standards with regard to all premises (particularly food, hairdressers, camping grounds and offensive trades) to ensure compliance with the relevant legislative requirements.
- The licensing and monitoring of premises that sell or supply alcohol, to ensure compliance with the relevant legislative requirements and licence conditions.
- The licensing and inspection of markets, food stalls and other annual events.
- To investigate statutory nuisances and respond to noise complaints.
- The assessment/granting of Class Four Gaming Consent applications.
- The response to complaints of a critical nature (food poisoning) within one working day and of non-critical nature within seven working days.
- To oversee the effective delivery of Council's noise control contract.
- In general, ensure that the health of the public of Marlborough is not put at risk from environmental influences by investigating conditions that may directly or indirectly have the potential to threaten public health.

Activity Group: Regulatory

Emerging Issues and Expected Changes

The following are the emerging issues and expected changes within this Activity:

- Implementation of the new Food Act 2014 that places additional responsibilities and functions on Councils.
- Monitoring and enforcement of existing frost fans.
- The enactment of the Sale and Supply of Alcohol Act 2012. The Act expands the role of local Councils with the major change being a shift in licence decision making to the local level.

Levels of Service 2015-25: Environmental Health

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
Ensure the residents of Marlborough and visitors to the District have confidence that they live and stay in an environment that is safe.	% of registered premises inspected once a year.	100%	100%	100%	100%	100%
	Number of annual inspections of markets and events with 10 or more food stalls.	≥12	≥12	≥12	≥12	≥12
	% of complaints of critical nature (food poisoning) actioned within one working day.	100%	100%	100%	100%	100%
	% of complaints of a non-critical nature assessed within seven working days.	100%	100%	100%	100%	100%
Administer the voluntary implementation of Food Control Plans.	Undertake annual audit of all existing food businesses with registered exemptions to ensure compliance with the Food Control Plans.	100%	100%	100%	100%	100%
	Undertake an initial audit of newly registered Food Control Plans under the voluntary implementation programme within three months of registration.	100%	100%	100%	100%	100%
Administer Food Control Plans under the Food Act 2014.	Register businesses required under Food Act 2014 in Food Control Plans and National Programmes.	New Measure	100%	100%	100%	100%
	Audit registered business as scheduled in the Food Act 2014 and Regulations.	New Measure	100%	100%	100%	100%
Carryout the functions of Licensing Inspector controlling the sale and supply of alcohol to the public with the aim of contributing to the reduction of alcohol abuse.	% of 'On-Licences' inspected once a year[13].	90%	90%	90%	90%	90%
Provide a service for investigation of noise complaints.	Report on performance of noise control contract.	New Measure	30 September	30 September	30 September	30 September
	Assess complaints concerning unreasonable noise within one working day.	89%	89%	89%	90%	90%

[13] An 'On-Licence' allows the sale or supply of liquor to any person present on the premises for the consumption on the premises.

Activity Group: Regulatory

Funding Impact Statement for 2015-25 Environmental Health	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	147	126	130	137	135	135	139	143	147	152	154
Fees and charges	10	10	10	11	11	11	11	12	12	6	6
Other receipts	310	322	337	346	354	364	374	385	398	411	425
Total operating funding	467	458	477	494	500	510	524	540	557	569	585
Applications of operating funding											
Payments to staff and suppliers	311	312	317	326	330	340	345	356	365	376	385
Internal charges and overheads applied	153	151	158	164	169	168	173	178	184	192	198
Total applications of operating funding	464	463	475	490	499	508	518	534	549	568	583
Surplus (deficit) of operating funding	3	(5)	2	4	1	2	6	6	8	1	2
Sources of capital funding											
Total sources of capital funding	-	-	-	-	-	-	-	-	-	-	-
Applications of capital funding											
Capital expenditure to improve the level of service	2	-	-	-	-	-	-	-	-	-	-
Capital expenditure to replace existing assets	2	4	4	4	4	4	4	4	4	4	5
Increase (decrease) in reserves	(1)	(9)	(2)	-	(3)	(2)	2	2	4	(3)	(3)
Total applications of capital funding	3	(5)	2	4	1	2	6	6	8	1	2
Surplus (deficit) of capital funding	(3)	5	(2)	(4)	(1)	(2)	(6)	(6)	(8)	(1)	(2)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Reconciliation											
Total applications of operating funding	464	463	475	490	499	508	518	534	549	568	583
plus - Depreciation and amortisation	3	3	3	3	1	1	1	1	2	2	2
Expenditure as per Income Statement	467	466	478	493	500	509	519	535	551	570	585

Activity: Animal Control

Activity: Animal Control

Operating costs of this Activity represents approximately 0.7% of total Activity expenditure.

How this Activity Contributes to Related Community Outcomes

This Activity contributes primarily to the Community Outcomes of Environment, People, Mobility and Living by:

Outcome	Sub-outcome	Major linkages	Secondary linkages
Environment	Systems for protection and care	Council's Dog Control Policy and Bylaw provides for dog exercise and restricted access areas in the district to provide an environment for dog owners and the public.	-
People	Education	Individuals, schools, community groups and industry.	Council works with individuals, schools, community groups and the industry to educate them on the issues relating to animal control.
Mobility	Safe	-	Council's contractor has the responsibility to ensure that our public roads and public places are kept safe by removing wandering livestock. Investigate complaints of dog attacks and take the appropriate enforcement action.
Living	Health Individual safety Sports and recreation	This Activity supports the public to safely participate in sports and recreation in areas where there are dog friendly or restricted areas.	-

What is this Activity About?

The Activity involves the promotion of responsible dog ownership and protection of the community from danger, distress and nuisance caused by dogs. It is also responsible for providing services in relation to wandering livestock on public land and roads.

The Dog Control Act (DCA) is the primary legislative tool used in this Activity, carrying out the majority of its functions together with related regulations; Impounding Act 1955 and Council Bylaws. Council oversees the effective delivery of this service, which is delivered on a day-to-day basis under contract.

The contract contains detailed performance measures on registrations, complaints, operation of the dog pound, education, enforcement, impounding, livestock, training and qualification.

Emerging Issues and Expected Changes

- The cost of maintaining the levels of service.
- Number of dogs that have not been microchipped.
- Increasing numbers of callouts for wandering stock.

Activity Group: Regulatory

Levels of Service 2015-25: Animal Control

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
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"	7.2	7.2	7.2	7.2	7.2
To provide an effective dog control service including registration that is in accordance with the Dog Control Act 1996 (DCA).	% of compliance with the service specifications in the Animal Control contract. The key service specifications relate to Education, Unaccounted for Dogs and Complaints.	100%	100%	100%	100%	100%
	Report on contract performance.	New measure	30 September	30 September	30 September	30 September
	Compliance with DCA requirements by: • Reviewing policies and bylaws; and	2012-13 review	2015-16 review	N/A	N/A	2018-19 review and three years thereafter
	• Preparing and publicising a report annually.	30 September	30 September	30 September	30 September	30 September

Activity Group: Regulatory

Funding Impact Statement for 2015-25 Animal Control	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	40	131	134	137	140	143	147	152	156	161	175
Fees and charges	560	561	573	586	598	610	623	636	652	669	678
Other receipts	13	26	26	26	26	27	27	27	28	28	29
Total operating funding	613	718	733	749	764	780	797	815	836	858	882
Applications of operating funding											
Payments to staff and suppliers	532	644	656	669	682	699	713	729	747	766	787
Internal charges and overheads applied	62	62	65	68	70	69	71	73	76	79	81
Other operating funding applications	9	9	9	9	9	9	10	10	10	10	10
Total applications of operating funding	603	715	730	746	761	777	794	812	833	855	878
Surplus (deficit) of operating funding	10	3	3	3	3	3	3	3	3	3	4
Sources of capital funding											
Total sources of capital funding	-	-	-	-	-	-	-	-	-	-	-
Applications of capital funding											
Increase (decrease) in reserves	10	3	3	3	3	3	3	3	3	3	4
Total applications of capital funding	10	3	3	3	3	3	3	3	3	3	4
Surplus (deficit) of capital funding	(10)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(4)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Reconciliation											
Total applications of operating funding	603	715	730	746	761	777	794	812	833	855	878
plus - Depreciation and amortisation	6	3	3	3	3	3	3	3	3	3	4
Expenditure as per Income Statement	609	718	733	749	764	780	797	815	836	858	882
Operating expenditure											
Dog Control	557	632	646	659	673	686	702	719	737	757	777
Other Animal Control	52	86	88	89	91	93	95	97	99	102	105

Activity Group: Regulatory

Activity: Harbours

Activity: Harbours

Operating costs of this Activity represents approximately 1.5% of all the Activity expenditure

How this Activity Contributes to Related Community Outcomes

This Activity contributes to the Community Outcomes of Governance, Environment, Economy, People, Mobility and Living by:

Outcome	Sub-outcome	Major linkages	Secondary linkages
Governance	Transparent Enabling participative	Maritime legislation, Navigation Bylaws. Availability of service 24/7, 365 days a year. Maritime safety management. Stakeholder liaison.	Education.
Environment	Systems for protection and care Control over pollution, levels, forms and effects	Risk Assessment and Safety Management System. Harbour Patrols. Increased pressure on commercial use on Sounds. Expectation of Sounds residents and users that effects of marine oil spills will be mitigated and the environment protected against the impacts.	Implementation of risk control measures. Planned response in accordance with the approved Marine Oil Spill Contingency Plan.
Economy	International connections Productivity	Use of the Sounds by internationally operating passenger and cargo vessels; pre-arrival processes. Increased use of Sounds waters by oil exploration industry for delivery and export of oil drilling rigs. Enabling commerce within the Sounds waterways, carriage of logs, marine/salmon farming.	Passive monitoring of vessel movements.
People	Engaged and participative	Stakeholder liaison.	Increased expectation of on-water patrols.
Mobility	National accessibility Local accessibility Safe	Interisland ferry traffic. Transport route for Sounds residents. Providing well marked navigable channels and known dangers. Increased management due to increased use.	Tory Channel, Inner Queen Charlotte Sound an extension of State Highway 1. No road access in many parts of the Sounds.
Living	Individual safety Sport and Recreation Cultural facilities and events	Safe environment. Recreational use of the coast and Sounds. Events.	- Enabling events to take place in a safe and attractive environment.

What is this Activity About?

This Activity involves ensuring safety in Marlborough's extensive marine waterways. The Marlborough Sounds comprises approximately 1,800 kms of coastline (which is 18% of New Zealand's entire coastline) and 4,136 kms² of water area. The Sounds is

used extensively for recreational purposes, commercial shipping, fishing and other aquaculture industries.

The purpose of the Harbours Activity 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 Activity 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 Activity is to:

- In addition to having a qualified Harbour Master available at all times, provide a 24/7 Duty Officer capability, with a rostered system for after-hour call-outs.
- 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 Monitoring Services.
- Monitor and manage compliance using statutes, bylaws and regulations that directly affects the Marlborough Sounds.
- Manage emergencies and risks that threaten people, the environment, property or economic benefits from the coastal regions of Marlborough.
- Protect Marlborough's coastal environment for this and future generations from pollution through the ability to respond and deal with oil spills or other maritime risks.
- Educate maritime users in particular and the whole community in general, on the safe and sustained use of Marlborough's marine environment.
- Provide support to Council on maritime safety decisions and policy provisions related to the region's Harbour management area.
- Assist Central Government agencies and other Council Activities in meeting their responsibilities within Marlborough's Harbour area.
- Promote the public image of Council in the management of its maritime safety responsibilities.

Activity Level

The Marlborough Sounds Harbour is a busy waterway, particularly during the summer months. A variety of use the Sounds throughout the year:

Recreational Vessels

Recreational use is important in the Sounds, both in terms of access to property and for leisure uses. Currently there are 1,158 berths in the Port Marlborough marinas of which over 85.6% (Nov 2014) are occupied. In addition, there are in excess of 3,000 moorings in the Sounds and it is estimated that 50% are occupied on a continuous basis. Further, during the summer season, it is estimated that up to 10,000 additional recreational vessels make use of the Sounds.

Commercial Vessels

The Marlborough Sounds Harbour is important for commercial use. There were almost 7,000 ferry movements, which according to the New Zealand Standards demonstrates that the area is the second busiest harbour after Wellington. In addition there are over 120 movements of passenger and log ships within the Sounds, the majority of these calling at Picton. Cruise ship calls are set to increase significantly during the next three years.

An important aspect of Council as a Harbour Authority is to patrol these busy waters to ensure safety and to provide education. Patrols are regularly undertaken with a particular emphasis on the summer months. Records are kept of patrols with observed incidents being recorded, reported on and followed up on.

Oil Spill Response

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

Emerging Issues and Expected Changes

Over the course of the last decade, commercial vessel movements have increased significantly, particularly in the log and passenger vessel calls being recorded. Additionally, the increase in recreational craft use of Marlborough's maritime waterways has increased and brings with it the potential for conflict between the various water user groups to increase.

With the increase in timber exports, more vessels are expected to call at Picton and the overlap between vessel arrivals requires a more pro-active vessel movement management regime to be established. This is currently being managed through an electronic pre-arrival process to ensure that as much relevant information regarding the vessel, her crew, cargo and pollutants carried is known. The level of monitoring required is an emerging issue and is further discussed in that area. Additional anchorage areas have been defined both within the inner Sounds two being located close to Picton, one north-east of the Wedge the other north of Allports Island, one at the Northern Entrance, which is subject to specific permission protocols and one in Cloudy Bay.

Activity Group: Regulatory

Aids to Navigation (AtoNs) form a critical component of the Harbour Safety Management System and their operation complies with international standards as set by the International Light House Authority (IALA). Requirements include minimum response times to rectify light failures, prescribed inspection routines and the establishment of an accurate performance data recording programme. Servicing and maintenance of AtoNs has been undertaken by the Harbour Master Group for the past two years. The processes and systems put in place ensure a robust regime is in place to achieve the IALA standard. Harbours' vessel Astrolabe, is used to undertake this on-water work and in addition to this work, continues to be used to provide concurrent patrol work in the Pelorus Sound area during the busy summer period. Harbours' 'older' patrol vessel Discovery (Protector 8.5 m) and the current towing vehicle (Toyota Land Cruiser) are scheduled for replacement in the 2015-16 financial year. After due consideration, it has been determined that Discovery will be replaced during the 2015-16 financial year but the replacement of the towing vehicle will be deferred and reviewed during the 2016/17 budget preparation.

Other issues emerging within the Activity are:

- Ongoing review of the Harbour Risk Assessment with a complete review every three to four years, the consequential impacts of risk control measures, either adjustment of current measures or implementation of new risk control measures. The next formal review of the Risk Assessment is due in 2016/17. Between the formal risk reviews, individual risks are reviewed in accordance with the parameters below:
    - Risks with a score of 5.5 or higher are reviewed every 12 months.
    - Risks with a score of between 4.0 and 5.5 over a two year period.
    - Risks with a score lower than 4.4 over a three year period.
- The Safety Management System has been subject to Maritime New Zealand review and implementation of the policies and procedures remain ongoing.
- Impact of oil exploration within New Zealand in relation to Admiralty Bay and the additional pressures these places on the Harbour Master Group resources.
- Potential for log exports from Port Underwood has been raised on a number of occasions and again more recently and will require careful consideration prior to this taking place.
- The need to review the levels of service with respect to the service provided by Picton Harbour Radio as the number of shipping movements increase, particularly the cruise ship sector, and whether there is a need to introduce a more direct vessel movement management/monitoring system.
- Continue to keep the adequacy of the AtoNs network under review to ensure that changes in waterway use are incorporated in establishment of additional AtoNs.
- Encouraging use of on-line interaction with stakeholders through electronic reporting of accidents and incidents, lodging of complaints and making suggestions on improvement of the services provided by the Harbour Master Group.
- Ongoing public boating education campaign and identifying and developing synergies with other regions and central authorities.
- Ongoing statutory responsibilities for preparedness and response to marine oil spill.
- Implementation of regular stakeholder liaison strategies.
- Introduction of new interactive technology that enables stakeholders to maintain access to their individual information data sets held by Council.
- Implementation of Plan Change 21- Moorings Management Area in Waikawa Bay. Additional resources in terms of personnel, systems and finance may be required to effect implementation.
- Implementation of the Rena report recommendations and introduction of the Marine Oil Spill Strategy 2015 identifies the need to increase stock piles of response equipment in strategic regions throughout New Zealand. It is anticipated that stock piles will be augmented during the 2016-17 financial year as Marlborough has been identified as one of the regions where an increase in the stock pile will occur. This will require additional storage capacity being identified. Costs associated with the increase in storage requirements are met from the Oil Pollution Fund, a fund administered by MNZ.

Activity Group: Regulatory

Levels of Service 2015-25: Harbours

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
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".	7.4	7.4	7.4	7.4	7.4
Provide a safe environment for all users through effective public education.	Safe Sounds Boating brochure reviewed, printed and ready for distribution annually.	Labour weekend	Labour weekend	Labour weekend	Labour weekend	Labour weekend
	Number of weekends in period commencing at Labour Weekend through to end of Easter of the following year where patrols undertaken.	≥20	≥20	≥20	≥20	≥20
	Number of weekday patrols undertaken from mid-December through to end of January of the following year.	≥35	≥35	≥35	≥35	≥35
	% of navigation warnings issued within two hours of a reported event that may impact on navigation safety.	100%	100%	100%	100%	100%
Ensure that Port and Harbour Safety Code requirements are met.	Full review of the Harbour Risk Assessment.	Triennially	N/A	Review completed	N/A	2018-19 review completed
	% of funded mitigation measures completed.	80%	80%	80%	80%	80%
Ensure navigation safety and bylaw requirements in the Marlborough Sounds area are adhered to.	Number of random light inspections of marine farms undertaken.	>200	>200	>200	>200	>200
	Information regarding accidents and incidents is received and, where relevant, passed onto MNZ within five days.	100%	100%	100%	100%	100%
Ensure that navigation aids, swimming and water-ski lanes are maintained effectively.	% of time aids to navigation are working in compliance with the IALA standards.	Cat 1 = 99.8% Cat 2 = 99.0% Cat 3 = 97.0%	100% 100% 100%	100% 100% 100%	100% 100% 100%	100% 100% 100%
	% of pre summer season inspections of swimming and water-ski lanes undertaken.	100%	100%	100%	100%	100%
	Number of inspections of swimming and water-ski lanes undertaken during the summer season.	4	4	4	4	4

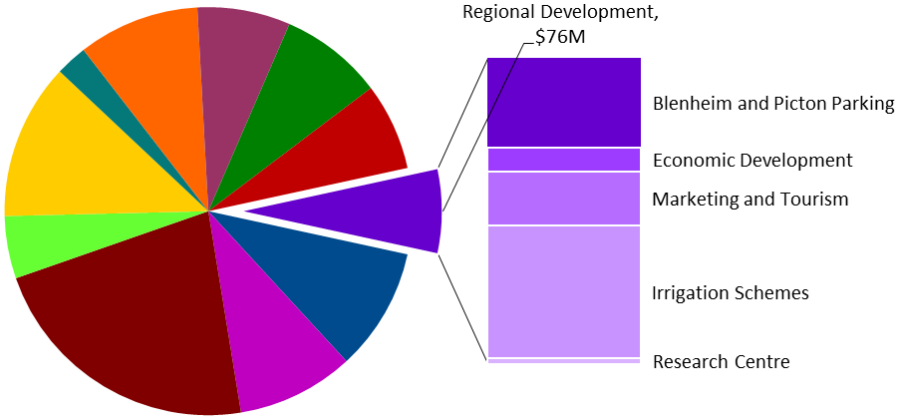
Activity Group: Regulatory

Funding Impact Statement for 2015-25 Harbours	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
General rates, uniform annual general charges, rates penalties	773	939	990	1,005	1,027	1,027	1,055	1,094	1,121	1,150	1,195
Fees and charges	151	432	443	454	467	480	494	510	526	545	564
Other receipts	407	158	159	159	159	158	159	162	164	165	167
Total operating funding	1,331	1,529	1,592	1,618	1,653	1,665	1,708	1,766	1,811	1,860	1,926
Applications of operating funding											
Payments to staff and suppliers	1,067	1,102	1,131	1,150	1,179	1,208	1,239	1,272	1,307	1,347	1,388
Finance Costs	-	34	42	41	40	38	37	35	34	32	30
Internal charges and overheads applied	122	191	192	193	194	194	195	196	197	199	200
Other operating funding applications	4	1	1	1	1	1	1	1	1	1	1
Total applications of operating funding	1,193	1,328	1,366	1,385	1,414	1,441	1,472	1,504	1,539	1,579	1,619
Surplus (deficit) of operating funding	138	201	226	233	239	224	236	262	272	281	307
Sources of capital funding											
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	-	247	-	-	-	-	-	-	-	-	-
Total sources of capital funding	-	247	-	-	-	-	-	-	-	-	-
Applications of capital funding											
Capital expenditure to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure to improve the level of service	100	320	-	74	-	-	80	-	-	-	91
Capital expenditure to replace existing assets	30	70	107	137	240	69	328	35	173	38	316
Increase (decrease) in reserves	8	58	119	22	(1)	155	(171)	227	99	242	(100)
Total applications of capital funding	138	448	226	233	239	224	237	262	272	280	307
Surplus (deficit) of capital funding	(138)	(201)	(226)	(233)	(239)	(224)	(237)	(262)	(272)	(280)	(307)
Funding balance	-	-	-	-	-	-	(1)	-	-	1	-
Reconciliation											
Total applications of operating funding	1,193	1,328	1,366	1,385	1,414	1,441	1,472	1,504	1,539	1,579	1,619
plus - Depreciation and amortisation	134	155	177	181	188	175	185	205	208	211	227
Expenditure as per Income Statement	1,327	1,483	1,543	1,566	1,602	1,616	1,657	1,709	1,747	1,790	1,846

Regional Development

Operating Costs

The operating costs for the Regional Development Group of Activities represents $76 million of total Council expenditure.



Major Budgeted Capital Projects

The major capital projects for the Regional Development Group of Activities are:

Activity	Major Capital Projects	Inflated value (Millions)
Irrigation Schemes	2015-20 Flaxbourne Irrigation Scheme.	$30.2
	2015-17 Pump station for the Southern Valleys Irrigation Scheme (SVIS).	$0.2
Blenheim parking	2015-25 Renewal of parking meters and ticket machines.	$1.0
	2015-25 Resurfacing of existing car parks.	$0.9

These projects are also listed under the Capital Expenditure line of the Funding Impact Statement at the end of this Activity section.

Activity Group: Regional Development

Rationale for the Delivery of the Regional Development Activity Group

Council 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 an attractive tourist destination. As a provider of infrastructure (such as roading, water, parking and irrigation), as a regulator of many business activities, Council is both a facilitator and encourager of development in the region.

Changes to Regional Development Activity Group from the 2014-15 Annual Plan

There are no changes to this Activity Group.

Intended Changes to Levels of Service from the 2014-15 Annual Plan

This table describes any intended changes to the levels of service within the group from the levels of service displayed in the 2014-15 Annual Plan. The reasons for the intended changes are also described.

2014-15 Annual Plan	2015-25 LTP	Reason for changes
Activity: Regional Development		
Manage Marlborough Research Centre contract to ensure service quality and value.	None (tbc at Final Long Term Plan in June 2015).	New level of service subject to the outcome of economic development review.
Effective promotion of Marlborough as a visitor destination.	None (tbc at Final Long Term Plan in June 2015).	New level of service subject to the outcome of economic development review.

Significant Negative Effects Associated with this Group of Activities

Unplanned development carries a variety of risks, chiefly associated with the sustainability of resource use. Council takes a sustainable development approach to planning for regional development, and endeavours to balance current and future needs of the community. The Irrigation Activity may involve the potential for environmental impact or the operation of machinery, earthmoving or construction works, which may impact on the environment and can result in temporary disruptions to daily life. Where resource consents are required for these activities appropriate controls are imposed.

Activity: Regional Development

Activity: Regional Development

Operating costs of this Activity represents approximately 6.8% of total Activity expenditure.

How this Activity Contributes to Related Community Outcomes

This Activity contributes to the Community Outcomes of Governance, Environment, People, Economy, Mobility and Living by:

Outcome	Sub-outcome	Major linkages	Secondary linkages
Governance	Enabling Participative Strategic Connected	The focus of the Smart and Connected programme is to enable and encourage industry groups and the community to develop and implement strategies. Discussions are underway with the Flaxbourne community to explore a community irrigation scheme.	Marlborough Research Centre (MRC) via the Food and Beverage Innovation Cluster are encouraging connectivity between Marlborough businesses and national and international science and markets.
Environment	Attractive		Tourism promotes the beauty of the Marlborough's District and Destination Marlborough's plans to recognise the tourism's role in environmental protection through sustainable use.
People	Quality jobs Increasing incomes	The focus of the Smart and Connected programme is to enable and encourage industry	Discussions are underway with the Flaxbourne community to
	Increasing capital wealth Engaged and participative	groups and the community to develop and implement strategies. MRC via the Food and Beverage Innovation Cluster are encouraging connectivity between Marlborough businesses and national and international science and markets. Business Trust Marlborough provides advice to support people starting and growing businesses.	explore a community irrigation scheme. This is a participative approach that if implemented will create employment and increase the capital value of properties in that area.
Economy	Productivity Innovation Entrepreneurship International connections Ability to transform Ability to connect	The focus of the Smart and Connected programme is to enable and encourage industry groups and the community to develop and implement strategies. MRC via the Food and Beverage Innovation Cluster are encouraging connectivity between Marlborough businesses and national and international science and markets. Business Trust Marlborough provides advice to support people starting and growing businesses Information and advice resources are available to businesses to aid decision making Council provides parking	Discussions are underway with the Flaxbourne community to explore a community irrigation scheme. This is a participative approach that if implemented will create employment and increase the capital value of properties in that area.

Activity Group: Regional Development

Outcome	Sub-outcome	Major linkages	Secondary linkages
		in towns for locals and visitors to shop, work and access the many services located in the CBD.	
Mobility	Local accessibility National accessibility Safe	Council provides parking in towns for locals and visitors to shop, work and access the many services located in the CBD.	-
Living	Cultural facilities and events Opportunities for participation Social cohesion	The focus of the Smart and Connected programme is to enable and the community to develop and implement strategies. Council supports commercial events via the implementation of the Regional Events Strategy, and community events via funding. Event organisation and participation offers opportunities for people to participate and work with others in the community.	-

What is this Activity About?

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. 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 and to benefit from the wealth created.

Some services are provided by Council specifically for the benefit of the regional economy:

- Economic development, marketing and tourism.
- Marlborough Research Centre.
- Parking.
- Irrigation.

Economic Development

In 2011, Council identified the need to set a new direction for economic development in Marlborough. An analysis of Marlborough's economy was undertaken and this was followed up by the development of the Smart and Connected vision and strategic framework in 2012.

Since 2012, Council has begun the implementation of Smart and Connected both within and outside Council. Internally, Council has begun to integrate the vision and framework in its key strategic planning documents such as the Long Term Plan and the emerging Resource Management Plans. Externally, a number of industry and community groups have been established and each has developed strategic plans for their industry/community. Council's role has been to facilitate the establishment of the groups and to support their ongoing development via administrative support and as a participant in the discussions.

In addition Council undertakes a range of specific economic development initiatives to support local businesses:

Smart Business Marlborough – a service to assist development related business proposals through Council processes – such as resource consent, building consent, liquor licensing, food health, infrastructure requirements etc.

Marlborough Food and Beverage Innovation Cluster – this cluster is led by MRC. Marlborough produces high quality food and beverages and there is an opportunity to develop additional new products of high value in international markets. The aim is to support innovation and collaboration between local food and beverage companies and with the 'national grid' of food and beverage research and development. The cluster supports development of new products and ingredients, production and process improvements, and generating value from waste streams.

Business Trust Marlborough – this Trust manages the provision of advice to start-up and growing businesses, and access to mentors from Business Mentors New Zealand.

Only Marlborough – Council is a partner in the development of this regional brand and positioning statement. A range of free resources are available for businesses and individuals to communicate a consistent and positive message about the region. Only Marlborough has been designed to be applied across all industries who sell products and services outside the region, to visitors, to locals and to people considering relocating to Marlborough.

Information resources – Council provides access to a range of economic and demographic information via its website.

The Council also plays a key role in the local economy through its core services of roading and water infrastructure and regulatory activity, and through its investment in community infrastructure such as libraries and leisure facilities.

Regional Events Strategy

Council has developed a Regional Events Strategy with the support of the industry to identify opportunities for growing events in the region and increasing the commercial return to local businesses. A Regional Events Co-Ordinator is employed to help to deliver the strategy and to support the events industry.

A key focus of the role is to assist communication within the events sector, and to help promote the many events offered in the region to locals and visitors alike. The Follow ME* website is the primary tool that has been developed to help communication, as well as targeted promotional documents such as the Summer Events Guide and Marlborough Arts Month.

A Commercial Events Fund has been established to help the development of existing and new events to grow the economic and other benefits of hosting events in the region.

Marketing and Tourism

Destination marketing services are undertaken on Council's behalf by Destination Marlborough Trust Inc. Destination Marlborough exists to grow and support a sustainable visitor economy that contributes to achieving a Smart and Connected economy for Marlborough. It is funded through a combination of Council and private sector investment. The organisation's core marketing priorities are to position Marlborough as a compelling destination to visit, to prioritise effort on smoothing seasonality and to deliver a single collaborative voice to grow visitor spend in the region.

To the year ending March 2014 visitor spend increased 6.2%, contributing $250 million into the Marlborough economy.

Marlborough Research Centre (MRC)

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.

MRC 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. MRC are a key partner in the implementation of the Smart and Connected vision.

As mentioned previously MRC (in partnership with Council, Riddet Institute and Massey University) are working jointly to implement a Food and Beverage Strategy for Marlborough via the Food and Beverage Innovation Cluster.

Parking

A large number of our businesses are located in or close to our main town centres of Blenheim and Picton. The ability for customers, staff and visitors to access these businesses are supported by the provision of convenient and affordable car parks, as well as support for other modes such as public transport, biking and walking. Council provides, operates and maintains over 2,000 on and off-street parks in Blenheim and Picton. This service is contracted to Marlborough Roads, which currently sub-contracts parking enforcement to ADT Armourguard and the Cash Collection contract, which is held by Gary Ching Ltd.

This provision of car parking in Blenheim and Picton town centres is guided by parking strategies for each town. Blenheim and Picton's parking strategies were updated in 2014. Measurement of parking occupancy levels in Blenheim is carried out by contract, and will possibly extend to Picton following the adoption of the Picton Parking Strategy during 2014. The table below provides a summary of Blenheim and Picton kerbside and off-street parking numbers:

Parking	Length / Quantity
Blenheim Car Parks	357 kerbside metered; 1,331 off-street metered (includes 348 car park building); 130 off-street leased; 227 off-street time restricted.
Picton Car Parks	201 off-street metered; 65 off-street time restricted.

Irrigation

Sourcing water for irrigation is of critical importance to our primary industries, particularly in areas of shortage such as south Marlborough. Council has significant expertise and experience in providing water infrastructure in Marlborough, and has developed an irrigation scheme for the Southern Valleys (SVIS) for horticultural, farming and rural residential properties over an area of approximately 4,500 ha to the south of Renwick. The scheme is operated during the drier months of the year providing there is sufficient water available in the Wairau River.

A proposed irrigation scheme for the Flaxbourne area, estimated to cost up to $30.2m, is under development. It would provide similar benefits to the Southern Valley scheme in supporting the development of productive agricultural land and be paid through a targeted rate by the beneficiaries. Council is proposing conditional support for the scheme to build and own the scheme, before any decision is made as part of next year's 2015-25 Long Term Plan consultation process.

Council supports in principle other community irrigation schemes if environmental effects can be managed and mitigated. The table below provides a summary of the SVIS assets:

Southern Valleys' Irrigation Scheme (SVIS)	Length/Quantity
Reticulation length	57 kms
Service connections	4,500 hectares
Abstraction Gallery	2
Distribution Pumps	6
Booster Pumps	8
Meters	261

Emerging Issues and Expected Changes

The following are the emerging issues and expected changes within this Activity:

- A review of economic development, events and tourism is currently underway, with a view to deciding if a new entity should be created to oversee these activities. As a consequence the Levels of Service will be agreed once the review is completed.
- In the preceding 5 years to March 2013 visitor spend in Marlborough decreased 8% while nationally visitor spend increased 1.6%. Along with the global financial crisis, Marlborough has been adversely impacted by the Christchurch earthquakes.
- Indicators are that New Zealand, and along with it, Marlborough are returning to a period of growth in visitor spend. The Marlborough region is targeting to at least grow visitor spend annually by 4.7% to align with Tourism 2025 national targets.
- The global economic balance of power is shifting and this is affecting where New Zealand's visitors come from. Visitors from Asian countries are increasing; over time this will change the mix of travellers visiting Marlborough. The region's tourism and hospitality businesses will need to consider adapting their service delivery to respond to these changes.
- Technology, and now more specifically mobile technology is being used increasingly to plan and book travel. The influence of social media and online technology as a communication channel is evolving the way we engage with potential visitors.
- Any shortage of airline supply or inconvenient aviation network options can result in potential visitors not travelling or choosing a different destination. Therefore growing international air access into the South Island is crucial to the growth of international visitation into Marlborough.
- Tourism New Zealand's 2013-16 target market strategy for international promotion is closely aligned with the Marlborough visitor proposition and provides good future promotional opportunities to feature more within the context of the international marketing effort.
- Ongoing investment in attracting visitors to the region will support utilisation of infrastructure developments in the region, ie; Marlborough Airport, ASB Theatre and Port facilities.
- Parking strategies for Picton and Blenheim due in 2014, will guide future decisions about provision, pricing and other parking related issues.

Activity Group: Regional Development

Levels of Service 2015-25: Regional Development

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2015-16	2016-17	2017-18	2018-25
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".	Economic Development – 6.4 Tourism – 7.2 MRC – 6.8 Parking – 6.8 Irrigation – 6.9	6.4 7.2 6.8 6.8 6.9	6.4 7.2 6.8 6.8 6.9	6.4 7.2 6.8 6.8 6.9	6.5 7.3 6.9 6.9 7.0
Undertaking strategic interventions to achieve long term sustainable economic growth for Marlborough.	*Subject to outcome of economic development review.*	*New measure*	*TBC*	*TBC*	*TBC*	*TBC*
	Subject to outcome of economic development review.	*New measure*	*TBC*	*TBC*	*TBC*	*TBC*
	Subject to outcome of economic development review.	*New measure*	*TBC*	*TBC*	*TBC*	*TBC*
Provision of convenient and affordable car parks to support CBD businesses.	Regularly review the parking strategies for Blenheim and Picton (five yearly).	2014-15	N/A	N/A	N/A	2019-20 and 2024-25
	Occupancy rates of off-street car parks in Blenheim.	Kerbside – 65% Off-street – 76% (Queen St and Clubs only) Parking building – 30%	<70% <85% 30%	<70% <85% 30%	<70% <85% 30%	<70% <85% 50%
Support for land based industries through the supply of irrigation water.	Number of events that cause a loss of supply during the season for more than 48 hours due to infrastructure breakdown.	≤ 1 event per annum	≤ 1 event per annum	≤ 1 event per annum	≤ 1 event per annum	≤ 1 event per annum

Activity Group: Regional Development

Funding Impact Statement for 2015-25 Regional Development	AP 2014-15 $000's	2015.16 $000's	2016.17 $000's	2017.18 $000's	2018.19 $000's	2019.20 $000's	2020.21 $000's	2021.22 $000's	2022.23 $000's	2023.24 $000's	2024.25 $000's
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	1,243	1,620	1,581	1,603	1,629	1,650	1,673	1,689	1,771	1,865	1,881
Targeted rates	1,237	1,537	1,609	1,640	1,679	1,722	5,227	5,509	5,576	5,649	5,726
Fees and charges	2,065	1,812	1,857	1,904	1,957	2,013	2,072	2,138	2,208	2,285	2,367
Other receipts	211	247	238	237	235	235	235	235	240	244	244
Total operating funding	4,756	5,216	5,285	5,384	5,500	5,620	9,207	9,571	9,795	10,043	10,218
Applications of operating funding											
Payments to staff and suppliers	2,516	2,642	2,302	2,354	2,402	2,514	2,916	2,989	3,074	3,199	3,284
Finance costs	1,403	1,370	1,414	1,708	2,299	2,890	3,228	3,244	3,136	3,014	2,827
Internal charges and overheads applied	311	524	537	549	559	562	572	585	598	614	629
Other operating funding applications	508	1,907	412	416	420	424	428	432	1,936	441	445
Total applications of operating funding	4,738	6,443	4,665	5,027	5,680	6,390	7,144	7,250	8,744	7,268	7,185
Surplus (deficit) of operating funding	18	(1,227)	620	357	(180)	(770)	2,063	2,321	1,051	2,775	3,033
Sources of capital funding											
Increase (decrease) in debt	(854)	510	2,118	7,744	11,171	8,668	4,811	117	1,635	124	128
Total sources of capital funding	(854)	510	2,118	7,744	11,171	8,668	4,811	117	1,635	124	128
Applications of capital funding											
Capital expenditure to meet additional demand	85	590	2,198	7,827	11,256	8,755	89	92	95	98	101
Capital expenditure to improve the level of service	53	60	176	-	-	-	-	-	-	-	-
Capital expenditure to replace existing assets	6	267	291	279	152	37	24	25	40	26	27
Increase (decrease) in reserves	(980)	(1,634)	73	(5)	(417)	(894)	6,761	2,321	2,551	2,775	3,033
Total applications of capital funding	(836)	(717)	2,738	8,101	10,991	7,898	6,874	2,438	2,686	2,899	3,161
Surplus (deficit) of capital funding	(18)	1,227	(620)	(357)	180	770	(2,063)	(2,321)	(1,051)	(2,775)	(3,033)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Reconciliation											
Total applications of operating funding	4,738	6,443	4,665	5,027	5,680	6,390	7,144	7,250	8,744	7,268	7,185
plus - Depreciation and amortisation	642	672	738	799	935	1,054	1,121	1,151	1,157	1,192	1,227
Expenditure as per Income Statement	5,380	7,115	5,403	5,826	6,615	7,444	8,265	8,401	9,901	8,460	8,412
Operating expenditure											
Economic Development	570	1,803	229	233	237	242	247	252	1,810	367	371
Marketing and Tourism	1,070	1,558	1,270	1,282	1,293	1,304	1,315	1,326	1,338	1,350	1,349
Research Centre	211	136	136	137	137	137	137	137	137	138	138
Irrigation	1,393	1,473	1,599	1,990	2,725	3,479	4,329	4,442	4,386	4,328	4,264
Parking	2,136	2,145	2,167	2,185	2,222	2,283	2,238	2,243	2,229	2,277	2,290
Capital expenditure:											
Irrigation	53	571	2,300	7,744	11,171	8,668	-	-	-	-	-
Parking	91	346	366	362	237	124	113	117	135	124	128